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LEGISLATIVE HISTORY
Public Law 91-566
H.R. 17923

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INDEX AND SUMMARY OF H. R. 17923

- June 4, 1970 House Appropriations Committee reported H. R. 17923. H. Rept. 91-1161. Print of bill and report. Summary of bill as reported by committee.
- June 9, 1970 House passed H. R. 17923 with amendments.
- June 10, 1970 H. R. 17923 was referred to Senate Appropriations Committee. Print of bill as referred.
- June 25, 1970 Subcommittee approved H. R. 17923 for full committee consideration.
- June 29, 1970 Committee reported H. R. 17923 with amendments. Senate Rept. 91-987. Print of bill and report . Summary of bill as reported by committee.
- July 8, 1970 Senate began debate.
- July 9, 1970 Senate passed H. R. 17923 with amendment.
- Senate conferees were appointed.
- Nov. 11, 1970 House conferees were appointed.
- Dec. 2, 1970 Conferees agreed to file report.
- Dec. 7, 1970 House received conference report. H. Rept. 91-1680. Print of report.
- Dec. 8, 1970 Both Houses agreed to conference report.
- Dec. 22, 1970 Approved: Public Law 91-566

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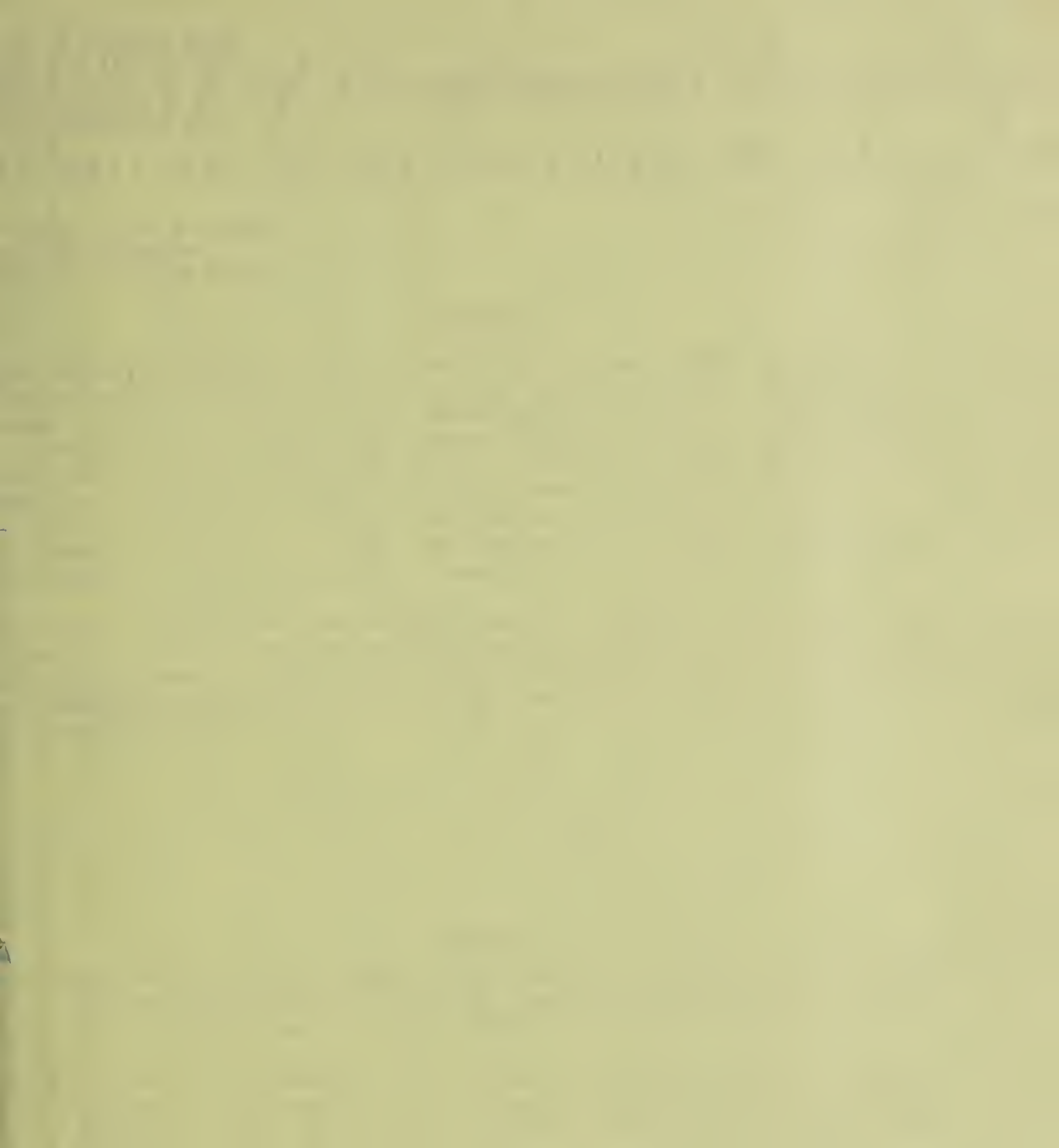
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DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of June 4, 1970
91st-2nd; No. 91

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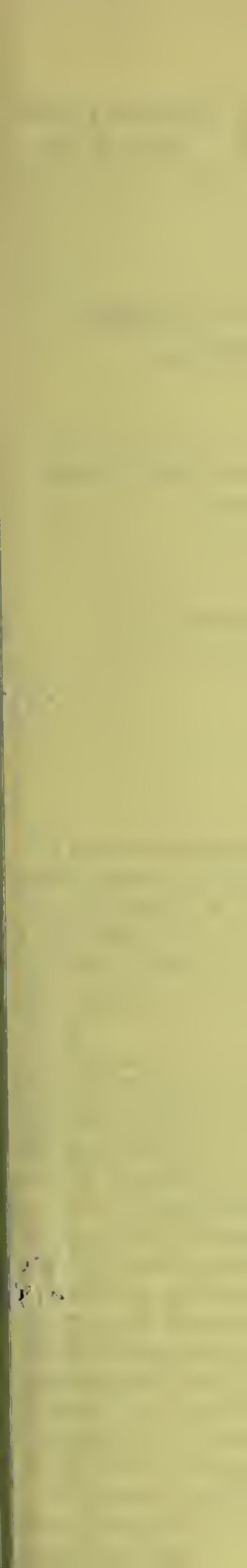
HIGHLIGHTS: House committee reported agricultural appropriation bill. Senate committee reported custom livestock slaughtering bill. Rep. Findley urged setting of wheat referendum date. Rep. Kluczynski inserted USDA's letter on allegations of inadequate imported meat inspection. Rep. Mahon inserted "budget score-keeping" report.

SENATE

1. **MEAT INSPECTION; SLAUGHTERING.** The Committee on Agriculture and Forestry reported with amendment S. 3592 to clarify the provisions relating to custom slaughtering operations (Rept. No. 91-915). p. S8347
2. **CONSERVATION; ENVIRONMENT.** Sen. McGee stated that he favors a fresh approach to environmental discussion, dropping the verbiage in vogue in preference for the practical approach of Wyoming writer Mike Leon. p. S8377-78

HOUSE

3. APPROPRIATIONS. The Agriculture Committee reported H. R. 17923, the agricultural appropriations bill for FY 71 (H. Rept. No. 91-1161). (A copy of the report will be attached to the next Digest.) p. H5183
Passed with amendment H. R. 17867, making appropriations for Foreign Assistance for FY 71. pp. H5101-45
Passed without amendment H. R. 17868, the D.C. appropriations bill for FY 71. pp. H5089-100
During the debate on the Foreign Assistance appropriation bill, Rep. Mahon discussed the importance of the agricultural appropriation bill and the ways that it touches the lives of all Americans. pp. H5108-9
4. SOLID WASTE; LOANS. The Interstate and Foreign Commerce Committee reported, with amendment, H. R. 11833, amending the Solid Waste Disposal Act to provide financial assistance for the construction of solid waste disposal facilities (H. Rept. No. 91-1155). p. H5182
5. CONSERVATION. The Rules Committee granted a rule for the consideration of H. R. 15361, establishing the Youth Conservation Corps pilot program. p. H5182
6. RIVER BASINS. Agreed to the Senate amendments to H. R. 15166, authorizing additional appropriations for flood control projects in certain comprehensive river basin plans. This bill now goes to the President. pp. H5145-48
7. ECONOMY. Rep. Patman urged the President to roll back interest rates and inserted a copy of P. L. 91-151, a copy of his letter to the President requesting a meeting, and a radio interview on current economic trends. pp. H5151-56
8. LOANS. Rep. Roth discussed the current issue of "Catalog of Federal Domestic Assistance" and urged the passage of H. R. 17112, the proposed Program Information Act. pp. H5167-8
9. ENVIRONMENT. Rep. Saylor commended Field and Stream on its 75th anniversary and inserted several articles from its anniversary issue on the future of man's environment. pp. H5172-7





DEPARTMENT OF AGRICULTURE AND RELATED
AGENCIES APPROPRIATION BILL, 1971

June 4, 1970.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

Mr. WHITTEN, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany H.R. 17923]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Department of Agriculture and related agencies for the fiscal year 1971. The bill covers estimates contained in the 1971 budget, pages 107-201, 891-897, 998-1003, 1056, 1057, 1071-1074, and budget amendments contained in House Document 91-305 dated April 13, 1970.

The bill provides for the general operations of the Department of Agriculture and the Farm Credit Administration. Title I includes the regular continuing programs of the Department, such as research; disease and pest control; inspection of meat, poultry, and other foods; school lunch, milk, and food stamp programs; overseas agricultural services; regulation of commodity markets; policing of packers and stockyards; State Experiment Stations and Extension Services; assistance to farm cooperatives; soil and water conservation; crop reports; marketing services; enforcement of the program for licensing and control of laboratory animals; and various service and staff offices. Title II includes the credit programs for rural electrification and rural telephones, and the various loan and grant programs of the Farmers Home Administration. Title III includes Federal Crop Insurance. Commodity Credit Corporation and foreign assistance programs, Title IV includes the Farm Credit Administration.

A summary of the budget requests and amounts recommended by the Committee follows. A detailed breakdown by individual appropriations appears at the end of the report.

	Budget request	Recommended in bill	Change
Title I—General activities.....	\$2,649,897,500	\$2,954,986,150	+\$305,088,650
Title II—Credit agencies.....	574,198,000	623,522,000	+49,324,000
Title III—Corporations (including Public Law 480 and other assistance programs).....	4,307,680,000	3,827,680,000	—480,000,000
Title IV—Related agencies.....	(4,226,000)	(4,054,000)	(—172,000)
Total.....	7,531,775,500	7,406,188,150	—125,587,350

THE IMPACT OF AGRICULTURE

For several years many on the Committee have considered changing the title of this bill. The current title, Department of Agriculture and Related Agencies Appropriation Bill, has never adequately conveyed the full range of effects on all the American people.

Some, but not enough, people know that the few on the farm free the rest of us to provide the machines and gadgets of modern-day living. Many people do not stop to realize that those who have left the farm have been replaced by machines and expensive materials; and that the man on the farm has to have sufficient income to buy the machines, equipment, chemicals and other materials; otherwise many people now in our cities, who make the machines, would have to go back to the farm as we saw in the depression of the late 20's and 30's.

The Department of Agriculture, identified with 5.1 percent of our people on the farm, in reality represents the 94.9 percent of the nonfarmers more closely than does any other department, for it represents the source of food, clothing and shelter for all Americans, and further, represents the largest individual market for labor and industry.

PUBLIC HEALTH AND SAFETY

We might term this "an appropriation for protection of the public health," for it carries funds for inspection of the meats and vegetables which go on our tables. Funds are included in this bill to provide for inspection of 100 percent of the red meat marketed in the United States for the first time in our history. This same goal will soon be reached for poultry.

The bill strengthens and improves the programs for the control of pests and pestilence, which has contributed so much to the improvements in our food supply. Conversely, the bill includes major increases for the development and control of more efficient pesticides. This includes additional staff for recently completed major pesticide laboratories at Gainesville, Florida; College Station, Texas; Stoneville, Mississippi; Durant, Oklahoma; and Savannah, Georgia. The bill includes \$5.3 million for the enforcement of pesticide regulations including the teams ready to move to determine the facts when unfortunate pesticide accidents do occur.

The total recommended for pesticides research and regulation in 1971 has nearly doubled since 1963 as shown on the following table:

ESTIMATED OBLIGATIONS FOR PESTICIDES RESEARCH AND REGULATION OF THE U.S. DEPARTMENT
OF AGRICULTURE, 1963-1971¹

[In thousands of dollars]

Item	1963	1964	1965	1966	1967	1968	1969	1970	1971
Agricultural Research Service:									
Salaries and expenses:									
Research.....	19,198	23,942	38,812	40,206	41,640	41,865	43,176	45,549	47,109
Plant and animal disease and pest control.....	28,289	28,646	33,769	35,994	40,621	40,833	41,710	45,297	46,098
Total, Salaries and expenses.....	47,487	52,588	72,581	76,200	82,261	82,698	84,886	90,846	93,207
Cooperative State Research Service: Payments and expenses.....	4,621	4,768	11,010	9,330	9,409	8,977	9,417	9,420	9,975
Extension Service:									
Payments and expenses:									
Payments to States and Puerto Rico.....	1,805	1,900	3,895	3,990	4,142	4,180	4,180	4,370	4,750
Federal Extension Service.....	95	100	205	210	218	220	220	230	250
Total, Extension Service.....	1,900	2,000	4,100	4,200	4,360	4,400	4,400	4,600	5,000
Economic Research Service.....			500	500	500	512	528	460	460
Forest Service: Forest protection and utilization.....	1,800	2,000	3,400	3,500	3,700	3,900	4,100	4,100	4,100
Total, pesticides research and regulation.....	55,808	61,356	91,591	93,730	100,230	100,487	103,331	109,426	112,742

¹ Includes obligations for pesticides research and regulation which relate to pollution and which are included in the table on pollution research, abatement, and control.

THE ECONOMY

Or perhaps we should term this a bill "for the protection of industry and labor," since those few, the approximately 5 percent left on the farm have had to substitute huge investments in machinery and equipment for those who have moved to town, thus becoming perhaps industry's and labor's biggest market.

The producers of agricultural products spend nearly \$30 billion a year for goods and services to produce crops and livestock; another \$12 billion a year is spent for the same products that urban residents purchase—food, clothing, drugs, furniture, appliances, and other products and services. Each year the farmers' purchases include \$3.4 billion in new farm vehicles, machinery, and equipment. It takes 120,000 nonfarm employees to produce this farm equipment alone.

His annual purchases also include \$3.4 billion for fuel, lubricants, and maintenance of machinery and motor vehicles. Farm production uses more petroleum than any other single industry. Each year the farmer buys products containing 320 million pounds of rubber—about 9 percent of the total used in the United States, or enough to put tires on nearly 6 million automobiles. He consumes 28 billion kilowatt-hours of electricity annually. Every year he uses 5 million tons of steel in the form of machinery, trucks, cars, fencing, and building materials. Farm use of steel accounts for 40,000 jobs in the steel industry.

RURAL DEVELOPMENT

On the other hand, the bill might be called the "Rural Development Act of 1971," for this bill provides funds to continue and improve the rural development programs of the Department, including the activities of the Soil Conservation Service, the Farmers Home Administration, the Extension Service, and the Rural Electrification Administration.

It is clear that in the years ahead we must look more to our rural areas for development of homes, jobs and recreation for the millions of additional Americans anticipated. With such a small percentage of Americans on farms, it is clear that such development cannot be solely tied to a farm economy. These agencies have the loan, grant and technical service programs providing the fundamental elements of rural development such as sewer systems, telephones, electricity, and water resource development necessary for industrial and commercial development of rural America.

In fiscal year 1969 the Farmers Home Administration made the following number of loans in rural areas, to be repaid with interest: Farm ownership loans, 13,702; soil and water loans, 989; operating loans, 50,811; rural housing loans, 54,102; emergency credit loans, 20,686; and water and sewer grants, 678.

The Soil Conservation Service has built or planned 440 multiple-purpose reservoirs and is operating 68 resource conservation and development projects, bringing to bear its technical services on the economic problems of multi-county development. The Committee is providing for 5 new projects in 1971.

In this bill, the budget estimate is raised by \$20 million for the rural electrification and telephone programs which have brought the amenities of urban living to rural areas but not the city problems.

The Committee has restored sufficient funds to provide coordination of the many Federal programs available to contribute to rural development. Agencies contributing to this development include Commerce, H.U.D., and H.E.W., as well as the several agriculture agencies.

For example, the recently passed Independent Offices and HUD Appropriation Bill included \$500 million for water and sewer facilities in towns and cities above 5500 in population, \$800,000,000 was provided in 1970 for waste treatment facilities, and the President is proposing a four-year program of \$1 billion per year through 1975.

In addition, the Economic Development Administration, from 1965 through April of 1970, has spent \$832 million for projects located outside the major urban areas.

ANTIPOLLUTION BILL

This bill could be cited as "the antipollution bill," for included are funds for watershed protection and flood prevention, in the Agricultural Conservation Program and the Soil Conservation Service.

Under the flood prevention and watershed programs, there are built or planned 8,944 floodwater retarding structures, and 440 multiple-purpose reservoirs, which will catch 2.9 billion tons of sediment near their source. Such sediment is a known carrier of pollution.

In addition, the ACP program, restored by the Committee, has contributed over 2 million smaller on-farm structures where the farmer provides about two-thirds of the cost, including his labor. The ACP program, with technical advice from the Soil Conservation Service, has fought pollution with measures such as terracing, strip cropping, and permanent sod waterways.

The Committee has also strengthened the research programs in pollution control, with increased staffs for water quality research at Durant, Oklahoma; the National Sediment Laboratory at Oxford, Mississippi; soil and water research at Pendleton, Oregon; and animal waste management at Fort Collins, Colorado, and Bushland, Texas.

A summary of pollution-related activities of the Department follows:

ESTIMATED OBLIGATIONS FOR POLLUTION RESEARCH, ABATEMENT, AND CONTROL PROGRAMS OF THE U.S. DEPARTMENT OF AGRICULTURE, 1963-71

[In thousands of dollars]

Item	1963	1964	1965	1966	1967	1968	1969	1970	1971
Agricultural Research Service:									
Salaries and expenses:									
Research.....	30,262	35,733	52,124	54,982	58,043	59,432	59,646	65,203	66,230
Plant and animal disease and pest control.....	1,541	1,749	3,046	3,144	3,737	4,117	10,359	11,514	13,414
Total, Salaries and expenses.....	31,803	37,482	55,170	58,126	61,780	63,549	70,005	76,717	79,644
Cooperative State Research Service: Payments and expenses.....	5,155	6,315	9,487	11,177	11,405	11,070	12,400	12,800	14,000
Extension Service:									
Payments and expenses:									
Payments to States and Puerto Rico.....	4,252	4,725	5,675	6,615	7,575	8,525	9,000	9,243	9,656
Federal Extension Service.....	248	275	325	385	425	475	500	557	644
Total, Extension Service.....	4,500	5,000	6,000	7,000	8,000	9,000	9,500	9,800	10,300
Soil Conservation Service:									
Conservation operations.....	33,600	34,800	37,100	39,100	40,100	41,800	48,700	51,900	51,900
Great Plains conservation program.....	9,600	10,700	11,700	12,600	14,800	13,200	13,900	13,400	13,400
Watershed works of improvement.....	10,600	11,700	12,100	12,700	13,600	13,300	13,900	18,000	20,500
Flood prevention.....	7,200	7,500	7,900	7,600	7,500	7,200	6,900	7,200	7,200
Resource conservation and development.....	.....	.....	150	340	900	1,300	2,200	3,600	5,900
Total, Soil Conservation Service.....	60,900	64,700	68,950	72,340	76,900	76,800	85,600	94,100	98,900
Economic Research Service.....	.....	.....	20	20	50	90	200	200	200
Consumer and Marketing Service.....	40	42	43	45	46	48	50	60	60

Agricultural Stabilization and Conservation Service:

Agricultural conservation program.....	182,100	182,800	184,600	179,500	188,800	170,200	159,400	156,100	185,000
Emergency conservation program.....	3,700	5,800	12,100	5,700	3,600	7,900	11,100	12,000	13,600
Administrative expenses for ACP and ECM.....	28,225	27,354	29,301	29,482	32,298	37,596	33,000	32,900	15,000
Cropland adjustment program.....				7,100	500	600			
Cropland conversion program.....	2,000		1,900	200					
Appalachian land stabilization and conservation program.....					6,500		3,000	3,300	
Total, Agricultural Stabilization and Conservation Service.....	216,025	215,954	227,901	221,982	231,698	216,296	206,500	204,300	28,600
Farmers Home Administration: ¹									
Water and sewer system loans:									
Direct.....	8,400	11,300	13,100	27,500	82,900	79,400	74,600	64,000	74,000
Insured.....	5,500	22,100	37,000	84,700	92,000	83,100	90,000	80,000	86,000
Subtotal, Water and sewer system loans.....	13,900	33,400	50,100	112,200	174,900	162,500	164,600	144,000	160,000
Rural water and waste disposal grants.....				18,600	22,500	23,000	25,000	42,000	52,000
Administrative expenses.....	209	501	752	1,962	2,961	2,783	2,500	2,900	3,100
Total, Farmers Home Administration.....	14,109	33,901	50,852	132,762	200,361	188,283	192,100	188,900	215,100
Forest Service: Forest protection and utilization.....	30,500	31,600	34,000	36,500	41,300	48,000	54,700	57,200	62,900
Total, Pollution Research, Abatement, and Control.....	363,032	394,994	452,423	539,952	631,540	613,136	631,055	644,077	694,704

¹ Excludes loan repayments.

NUTRITION

This bill could be called "the peoples bill" because of its contribution to human nutrition and aid to those who for one reason or another do not have an adequate diet.

The record of the Department of Agriculture, made possible by the actions of the Congress and this Committee, is long and strong in the support of nutrition and cost of production research, research on marketing, and support of other agriculture programs designed to improve the basic structure of agriculture and to enable the American people to spend only 16 percent of their income on food. This remarkable achievement is largely unnoticed. The Committee is proud of another part of this record which is also unnoticed. That is this Committee's direct support of food aid.

Two years ago the Congress adopted, at the Committee's request, some important new language for the section 32 appropriation. This language provided \$45 million for a number of expanded and innovative programs. The amount was raised to \$100 million in the 1970 budget. The language follows:

(4) In addition to other amounts provided in this act, not more than \$100 million (including not to exceed \$2 million for State administrative expenses) for (a) child feeding programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended, (b) additional direct distribution or other programs, without regard to whether such area is under the food stamp program or a system of direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly or through a State or local welfare agency, an adequate diet to other needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food, and (c) milk for children in non-profit high schools and schools of lower levels, child-care centers, summer camps, and similar nonprofit institutions devoted to the care and training of children.

This language has meant valuable flexibility in meeting many emerging needs for our food programs. In 1970 a total of \$67 million has been allocated to supplement the funds available from the child nutrition direct appropriation to provide for:

(1) Special cash assistance which provides schools with a higher rate of cash reimbursement for serving free or reduced-price lunches to needy children;

(2) Serving school breakfasts to children in schools that draw attendance from low-income areas and those in which a substantial portion of the children must travel long distances; and

(3) Equipment necessary for serving these lunches and breakfasts.

The primary emphasis in the use of these funds is the extension of program benefits to needy children.

The \$2 million designated for State administrative expenses is allotted to the States on the basis of detailed plans and justification of need for supervising and giving technical assistance to local school

districts for additional activities undertaken by them to reach more needy children with lunch and breakfast programs.

The \$20 million of these funds allocated for the special milk program are being used to supplement the \$84 million appropriated to increase the consumption of fluid milk by children. All nonprofit schools of high school grade and under, all nonprofit summer camps, and childcare institutions devoted to the care and training of children are eligible to participate.

A special experimental program authorizing free food stamps to persons with little or no income was started in March, 1969, in Beaufort and Jasper Counties, S.C., with \$5,000 of these funds, and this project is continuing at this level in 1970.

The special supplementary food package program makes available enriched foods for new and expectant mothers, infants, and young children in food stamp areas. The program is operated through local health facilities such as clinics, with doctors and public health nurses prescribing for clients those foods offered by the Department of Agriculture.

A new experimental program involving the issuance of a special purpose food certificate is being tested in a limited area of Chicago. Eligible recipients—low-income new and expectant mothers and infants—use this food voucher to purchase milk, infant formula and baby cereal in local retail stores. The remaining \$10,995,000 budgeted for 1970 is to be used for these two programs.

Last year the Congress appropriated a total of \$610 million, an increase of \$270 million, for food stamps. The Committee helped this program grow from a small experiment conducted under section 32 to be the major food aid program of the Department.

For example, in 1967 the conference agreed and the Congress directed that \$5 million of the funds for the food stamp program go to especially needy persons.

The Committee has supported a strong nutrition education program. Last year's report stated:

The committee has approved an appropriation of \$30 million for the nutrition aide program initiated last fall. This is in line with the latest budget recommendation and places existing programs on a yearly basis. Of this sum, \$7,500,000 shall be available for professional workers to promote 4-H type programs in the depressed areas of our cities. This program involves educational work among low-income groups to reduce the incidence of malnutrition, by providing homemaker aides who will use available information, knowledge and skills to teach needy people to utilize all resources toward the achievement of a more nutritionally adequate diet.

In this connection, the Committee feels that full use should be made of the Nation's 3 million 4-H Club members to promote 4-H Club-type work with the youth of our towns and cities. The success of this program in rural areas has forcefully demonstrated the effectiveness of this approach. It may well be found that the most successful results from nutritional education of low-income families will come through work with the younger members of the family.

For these and other reasons, clearly established in the record, the Committee is proud of its efforts to achieve better nutrition.

For 1971, the Committee has restored the special milk program recommended for deletion in the budget estimate. This will provide about 3 billion half-pints of milk to about 17 million schoolchildren.

The Committee has provided the full budget estimate of \$1,250,000,000 for food stamps, which of course has to await authorization before expenditure, and congratulates the Department on the establishment of the Food and Nutrition Service, an agency which is doing a good job.

The Committee has raised by \$5 million the recently authorized equipment program to a total of \$17.5 million in 1971.

Included in the bill is \$200,000,000 for free and reduced-price lunches for an estimated 6.6 million needy children. Unfortunately, the fact that the Children's Food Service Program was signed into law on May 14, 1970, made it impossible to obtain a budget recommendation or hold hearings in time to include funds for this purpose. The amended program will have the attention of the Committee in the first supplemental.

A summary of the dramatic expansion of these programs follows:

ESTIMATED OBLIGATIONS FOR HUMAN NUTRITION PROGRAMS, INCLUDING FOOD ASSISTANCE, RESEARCH, AND EDUCATION OF THE U.S. DEPARTMENT OF AGRICULTURE, 1963-71

[In thousands of dollars]

Item	1963	1964	1965	1966	1967	1968	1969	1970	1971
Agricultural Research Service: Salaries and expenses, Research.....	2,053	2,055	3,981	3,943	3,786	3,654	3,734	4,097	4,272
Cooperative State Research Service: Payments and expenses.....	852	874	997	1,092	1,151	1,188	1,232	1,677	1,792
Extension Service:									
Payments and expenses:									
Payments to States and Puerto Rico.....	2,305	2,350	2,448	2,495	2,571	2,646	11,702	31,788	52,142
Federal Extension Service.....	95	100	102	105	109	114	406	1,325	1,410
Total, Federal Extension Service.....	2,400	2,450	2,550	2,600	2,680	2,760	12,108	33,113	53,552
Removal of Surplus Agricultural Commodities—Section 32:									
Commodities and administrative expenses.....	93,380	258,503	229,222	119,095	176,985	164,390	339,995	366,619	268,794
Special feeding program.....							45,000	100,000	186,058
Total, Section 32.....	93,380	258,503	229,222	119,095	176,985	164,390	384,995	466,619	454,852
Food and Nutrition Service:									
Special milk program.....	94,036	99,721	97,759	96,552	99,289	102,574	102,677	84,000	104,000
Child nutrition programs.....	169,167	181,133	191,141	201,114	211,846	220,205	246,088	315,338	331,753
Food stamp program.....	20,415	30,479	35,135	70,440	115,515	187,284	250,982	610,000	1,250,000
Total, Food and Nutrition Service.....	283,618	311,333	324,035	368,106	426,650	510,063	599,747	1,009,338	1,576,753
Commodity Credit Corporation—domestic commodity donations and administrative expenses.....	294,523	293,425	163,578	126,182	138,898	237,442	236,413	112,969	267,809
Office of Information.....	153	148	177	159	203	132	200	197	192
Total, human nutrition.....	676,979	868,788	724,540	621,177	750,353	919,629	1,238,429	1,628,010	2,643,047

In determining the amounts considered to be essential for these purposes for the next fiscal year, it is important to review some of the conditions facing the 200 million American consumers as well as the economic strength of this Nation at home and abroad in the years ahead.

FARMING NO LONGER ATTRACTIVE

The number of agricultural producers providing food and fiber for our rapidly expanding population continues to decline and is now down to about 5 percent of the people in this country. Trained and experienced farm labor is in increasingly short supply.

Long hours of hard work, more rigorous living conditions, hazards of weather, threats from insects and diseases, increasing financial risks, and decreasing financial returns are causing farming to become less and less attractive to each succeeding generation of young people. Fewer and fewer farm children are turning to farming as a career. More and more of their parents are moving to "greener pastures" in town as the monetary return for their labor, investment, and managerial skills decrease on the farm.

As a business venture, farming is becoming less attractive as the necessary farm investment increases and the net return on the investment decreases. Figures from the Department of Agriculture show that average farm investment has increased nearly fourteenfold in the past 25 years, from \$6,158 in 1940 to \$85,402 in 1969. They also indicate that the average return on farm equities has dropped more than 50 percent during this period, from 7.1 percent in 1945-9 to 3.1 percent in 1968.

It is entirely understandable, therefore, why fewer and fewer people are remaining on the Nation's farms, and why some 5 percent of our population on the farms is now feeding the other 95 percent in addition to themselves. This undesirable imbalance can be expected to be further aggravated as movement away from agriculture continues.

According to Department figures, an average of nearly 800,000 people have left the farms in each of the last 5 years. The farm population has decreased to about 10.0 million today, as compared to more than two and a half times that number in 1950.

The trend away from the farm is also evidenced by the steadily decreasing amount of land in farms and the size of farms. The total land in farms in 1950 was 1.2 billion acres as compared to 1.1 billion acres in 1965, a reduction of 100 million acres. The average size of a farm increased from 213 acres to 377 acres in that same period.

As the Committee has pointed out many times, the farmer or agricultural producer can afford to quit, but the consumer cannot afford to have him do so.

AGRICULTURE REMAINS BASIC

In the opinion of the Committee, the growing tendency to consider agriculture as a less essential part of our national economy, and to reduce funds needed for its continued support, threatens our Nation at home and abroad. It could have a serious effect on the future food supply of this country and could weaken our ability to meet our future responsibilities as a leader of the nations of the world.

History teaches us that the food-deficit countries of the world started on their decline by failing to give adequate attention to the

protection and development of their basic natural resources. They failed to provide necessary protection and development through research, control of insects and diseases, conservation and other programs needed to assure the preservation of their capacity to meet the needs of their people for food, clothing, and shelter. This is true of nearly every country we aid today. We must not make the same mistake.

One of our major problems today is that, though agriculture is our best market for industry and labor and the most economical supplier of the consumer, so few people are engaged in agriculture that its voice is weak in the legislative halls of a majority of the States and of the Nation. No longer does agriculture figure prominently in the planning of those who would appeal to the majority. This leaves a major task for those who recognize that the national welfare depends on a sound and healthy agriculture.

LOW FARM INCOME TRIGGERS FINANCIAL DEPRESSION

It has been stated that the seeds of the Great Depression were sown in the agricultural depression of the 1920s which followed the First World War. The failure to maintain farm exports or to support farm prices and thus to maintain farmers' purchasing power weakened banking and business. Yet, people refuse to remember the lessons of the terrible financial crises of the 1920s and 1930s. It was graphically illustrated in 1921, in 1929, and again in 1937 that if the farmer's prices and purchasing power collapse, the whole economy suffers.

Let us now briefly review the history of farm prices in the late twenties and the thirties, when a drop in the purchasing power of those engaged in agriculture not only wrecked farming, but dragged down the economy of the whole nation.

After the First World War ended, the government announced that it would no longer support the price of wheat. The wheat which had brought \$2.94 a bushel in Minneapolis in July, 1920, brought \$1.72 in December, 1930, and 92¢ a year later. Agricultural prices in general collapsed. Cotton fell to a third of its July, 1920, price and corn by 62 percent. The *Yearbook of Agriculture* of 1922 shows that the total value of agricultural products dropped from \$18,328,000,000 in 1920 to \$12,402,000,000 in 1921. As a result of the agricultural crash of 1920-1921, 453,000 farmers lost their farms. Many others remained in serious financial trouble which, in turn, was reflected by failures of local banks.

Average wheat prices for the years 1924-1927 stayed pretty much in a range between \$1.19 and \$1.44 a bushel as compared to a parity price of approximately \$1.40 for that period. Corn prices in these same years varied between 70¢ a bushel to \$1.06 a bushel versus a parity price of about \$1.00. Cotton prices were 12.5¢ a pound in 1926 but averaged 20.7¢ for the other years, compared to a parity price of 19.1¢. In 1928 these prices were: wheat, \$1.00; cotton, 18¢; and corn, 84¢. By 1931 wheat was 38¢; cotton, 5.5¢; and corn, 32¢—roughly one-third of the pre-1928 price levels. Starting in August of 1929, wheat prices for the dominant futures on the Chicago Board of Trade fell from \$1.43 average price to 76¢ in November of 1930, a drop of over 50 percent in 15 months. The Dow-Jones Stock Price Averages followed by declining from a high of 381.2 in September to a low of 41.2 in July of 1932. The decline of the price of wheat on the commodity

exchanges was particularly significant since there were nearly \$250 million of open contracts in October, 1929, almost $2\frac{1}{2}$ times the number of contracts in normal years. A great many of these speculators were ruined.

It has been said that there were more suicides during this period among those that didn't know what a farm was as a result of the break-down in farm or commodity prices (which had led to a fall in prices and values throughout the economy) than in any other period in our history.

It was a sad way to learn it, but people at that time came to realize that real wealth starts with material things—corn, wheat, cotton, food crops of all kinds, and other raw materials—and that the general economy was primed by the sale of raw materials since, in general, the total national wealth averages some seven times the sale value of the farm or raw material production.

We learned several lessons in the twenties and thirties.

First, that when farmers can't get a fair return for their production, the land suffers. Remember, the price of food, clothing and shelter is going to be paid either by those who use them, or by the land from which they come. Congress, reacting to the terrible depletion of our natural resources, passed the Soil Conservation and Domestic Allotment Act of 1936. Yet today these same facts get little recognition.

Secondly, we sometimes seem to forget that some form of effective control over farm production and marketing is necessary. In 1937 heavy crops caused surpluses and low prices for wheat and cotton, and a severe drop in commodity prices corresponded to another decline through the economy.

Our farm programs today seem often to be predicated on the belief that cheap raw materials made this country great. That is undoubtedly true; however, we wasted half our natural resources in the process. The high payments which are the result of these policies have engendered a great animosity, in the minds of some, toward our agricultural producers.

It shall be remembered that the price of food, clothing and shelter is going to be paid either by those who use them, directly or through taxes, or by the land from which they come.

The people of India and China throughout the centuries demanded food and fiber below the cost of production. The cost was paid by the land from which it came. As a result, the land is worn out. Yet we in this country wore out more rich land in a shorter time period than any nation in history, largely because we had land to waste. This is no longer the case.

PAST ACHIEVEMENTS OF AMERICAN AGRICULTURE

The efficiency of American agriculture has been a blessing to the consumers of the world. It has provided a plentiful supply of wholesome and nutritious foods which U.S. consumers have come to accept and take for granted. It has produced quantities in excess of domestic needs which have become a significant factor in our international programs of aid and assistance to the less fortunate peoples in other nations of the world.

Because of the remarkable achievements of American agriculture, the people of the United States for years have enjoyed a standard of living never before attained anywhere in the world.

These achievements have been made possible by cooperative Federal, State, and local efforts in the various agricultural programs of the Nation. The leadership of the U.S. Department of Agriculture, the land-grant universities, and the States and local agricultural agencies, have developed an agricultural industry in the United States which is the envy of the entire world.

As a result of our high level of efficiency in agricultural production, and certain governmental policies which have failed to make U.S. commodities competitive in world markets, this country has had supplies of commodities which have been surplus to U.S. needs during certain periods in the past several decades. National policies and farm programs have been directed toward meeting this situation. It is pointed out that, while these supplies were surplus to domestic U.S. demands, they were by no means surplus to world needs. Also, it is the opinion of many responsible officials and experts in this country that it is much better for the United States to have too much rather than too little of the things necessary to feed, house, and clothe our people. The cost of handling and storing surpluses has been small indeed, compared to the benefits to the American consumer and to the position of strength in world affairs which our agricultural production has enabled us to maintain.

A FIRM SUPPLY OF FOOD ESSENTIAL

Aside from the possibility of nuclear conflict, hunger is probably the foremost problem of the world today. Approximately half of the world's 3.5 billion people suffer from malnutrition. The World Food Congress was told in 1963 that around 10,000 persons die every day from starvation.

India had a food crisis in 1963. Shortstaple wheat and the so-called "miracle rice" has helped, but that vast subcontinent still has a year-round hunger problem; so do many other areas in the world. The present outlook is that hunger will grow more and more intense with the passage of time. The world's population increase is almost unbelievable. Each year, births exceed deaths by almost 60 million.

This alarming population expansion can be fully appreciated when it is realized that the population of the world, which reached the first billion by the year 1830, took only 100 years, 1830 to 1930, to reach 2 billion and only 30 years, 1930 to 1960, to reach 3 billion. It is expected to exceed 6 billion people by the turn of the century. The population growth in the United States increased from 13 million in 1830 to 123 million in 1930 and 179 million in 1960. It is expected to reach 300 million by the year 1990.

The Secretary, testifying recently before the House Committee on Foreign Affairs, stated:

We must, of course, project the future in order to plan for it. But there is a strong tendency, I think, to project from present conditions, without accounting enough for variables. Weather, for instance, can cause as much as 25 percent fluctuation in Agriculture production.

Although the Secretary was speaking of worldwide agriculture, this statement is just as applicable at home. It should be added that there is an equal danger in projecting past solutions. For this reason,

Volume 1 of the hearings includes testimony taken by the subcommittee from Secretary Benson in 1957. These hearings demonstrate that policies quite similar to those being followed today, including massive land retirement, forced thousands of farm families to migrate to the cities. Recent events have proven this migration to be a disaster. The policies caused us to lose our foreign markets, as well, by holding an umbrella over the world markets with high prices. Foreign suppliers got the market and we became a residual supplier. Such price levels have encouraged foreign planting of commodities such as cotton and wheat that have further reduced our exports.

COMPETITIVE EXPORT SALES NECESSARY

For the past 20 years, the Committee has done everything possible to encourage and require exportation of U.S. agricultural commodities and has continued to insist that such commodities be offered continuously in world markets on a competitive basis. During those years when U.S. commodities have been kept competitive, export sales have increased substantially and the pressure of surpluses has been removed from the domestic markets.

Despite unlimited authority to sell competitively in world market's the Department's failure to sell competitively in the early 1950, caused CCC commodity inventories to increase from \$1 billion as of June 30, 1952, to \$5 billion as of June 30, 1955. During this period, CCC holdings of cotton increased from \$418,000 to \$1.2 billion.

In 1955, at the insistence of this Committee, the first cotton was offered for sale abroad for dollars on a competitive basis and 1 million bales were sold in a few weeks. Subsequently about 7 million bales were sold soon after they were offered. Then in 1956, despite this most satisfactory experience, the Department took steps to again hold U.S. cotton off world markets. This caused Congress to enact the Export Sales Act of 1956 requiring sales for dollars to regain and retain the U.S. historical share of world markets.

Notwithstanding this legislation, the Department in 1958 again refused to offer cotton at competitive prices. The Comptroller General ruled this to be a violation of the 1956 Export Sales Act. Cotton exports again dropped—from 7.6 million bales in 1956 to 2.8 million bales in 1958. This action cost the CCC and the American taxpayers hundreds of millions of dollars, and did great damage to U.S. cotton producers.

In 1959, under increased pressure from Congress, competitive sales were reinstituted and exports again increased—to a level of 6.5 million bales in 1959. Despite the outstanding success of the competitive sales program each time it has been used, however, the Department continues to favor the export "payment-in-kind" approach, which has not been effective and which has been extremely costly to the Government.

The history of our export programs clearly demonstrates that the "payment-in-kind" program is not a satisfactory substitute for competitive sales abroad. Like most exporting nations of the world,

we should sell what we produce and don't need for what it will bring in the world markets. Past experience has shown that, when buyers have the opportunity to support world prices by their bids, markets throughout the world are strengthened and commodities flow freely through the normal channels of trade. Loss of markets to our competitors has proved the dangers of an artificial price umbrella over world markets, fixed by a Governmental agency.

The Export Sales Act of 1956 referred to above also requires the Secretary of Agriculture to establish an export goal at the beginning of each year and, in the opinion of the Committee, requires him to announce such figure to the public. No such goals have been announced in recent years, despite the provisions of law. This has had a depressing effect on U.S. exports. While the historical U.S. share of the world cotton market is around 6 million bales annually and while the law requires the export of this amount, cotton exports dropped to 3.3 million bales in 1962, 4.7 million bales in 1967, and 2.5 million bales estimated for 1970.

In view of these factors, the Committee insists that the Department (1) return to offering commodities for sale on a competitive bid basis, (2) make "payment-in-kind" payments from commodity stocks in lieu of cash payments, and (3) conform to the Export Sales Act of 1956 by announcing to the world the quantity of cotton the United States will intend to sell each year on world markets. The same policy would be good for other commodities. These exports should be from private stocks and handled through private channels where possible and from Government stocks where necessary. The Export Marketing Service should maintain the right to determine when and how much to offer at various times during the year to reach the total goal.

The ability of this country to provide the most abundant supply of wholesome and delicious food at the lowest cost ever known to the people of the United States—and in addition feed substantial numbers of hungry people throughout the world—has been one of our greatest strengths in meeting domestic needs and in dealing with world problems.

The failure of Communist agriculture, a failure which is chronic and deep-seated, has tremendous implications to the hundreds of millions constantly plagued by hunger. The Communist inability to produce efficiently and abundantly is due in large part to a lack of adequate and well directed research and related agricultural programs, under a system which has tied the hands of Soviet agricultural scientists.

This must not be permitted to happen in the United States. We cannot allow any change in emphasis or direction which would weaken or damage our successful research, extension services, soil conservation, and marketing programs which have given this country its efficient and productive agricultural system. These basic programs of the Department of Agriculture, the land-grant colleges, and related institutions, must be continued at least at present levels.

EFFECT OF COMMITTEE ACTION ON PROJECTED BUDGET EXPENDITURES (OUTLAYS) IN FISCAL YEAR 1971

The Committee has provided an increase of \$94,938,000 above the budget in order to restore the Special Milk Program and to provide adequate funds for water and waste disposal grants.

The Committee's action in recommending a reduction for the Commodity Credit Corporation will not affect outlays in the fiscal year 1971 because the purpose of this appropriation is to reimburse the Corporation for losses sustained in prior years, and it has no effect whatsoever on next year's operations.

The recommended restoration of funds for the Agricultural Conservation Program will not affect outlays in the fiscal year 1971 because the Committee's action merely provides authority to enter into contracts under the program during the coming fiscal year, while the appropriation to liquidate those contracts and resulting outlays would be made the following year.

EFFECT OF COMMITTEE ACTION ON PERSONNEL

The accompanying bill provides for about 66,678 man-years (average employment) in fiscal year 1971, exclusive of the Forest Service. This is an increase of 2,533 man-years over the 1970 level. It represents an increase of 654 man-years over the 1971 budget request.

The principal man-year increases over the current year are to carry out the expanded programs of meat and poultry inspection, and to staff increased efforts by the Department to alleviate hunger and malnutrition in the United States under the food stamp, child nutrition, and other food distribution programs. Restoration of personnel to vitally needed research programs is also proposed in the bill.

The principal reduction below the budget request is in the Farmers Home Administration, where the Committee feels that a more gradual expansion of administrative services is preferable in view of recruiting difficulties. Additions to the budget request are also made to restore the soil conservation technicians needed to carry out the Agricultural Conservation and Watershed Planning Programs.

A breakdown of the man-year changes by agency is set forth in the following table:

MAN-YEAR COMPARISONS

Agency	1970 Estimate	1971 Budget estimate	In Bill for 1971	Comparison	
				1970 Estimate	1971 Budget
Agricultural Research Service:					
Research.....	9,371	9,337	9,537	+166	+200
Disease and pest control.....	5,864	5,879	5,877	+13	-2
Other.....	405	404	404	-1	-----
Total, Agricultural Research Service	15,640	15,620	15,818	+178	+198
Cooperative State Research Service.....	92	92	92	-----	-----
Extension Service.....	222	228	227	+5	-1
Farmer Cooperative Service.....	93	96	94	+1	-2
Soil Conservation Service:					
Conservation operations.....	10,459	10,431	10,440	-19	+9
Other.....	6,060	5,559	6,178	+118	+619
Total, Soil Conservation Service...	16,519	15,990	16,618	+99	+628
Economic Research Service.....	1,018	1,095	1,021	+3	-74
Statistical Reporting Service.....	1,464	1,554	1,556	+92	+2
Consumer and Marketing Service:					
Meat and poultry inspection and other consumer protective, mar- keting and regulatory programs....	9,942	10,691	10,691	+749	-----
Food and Nutrition Service:					
Child nutrition programs.....	65	-----	65	-----	+65
Food stamp program.....	178	248	248	+70	-----
Other.....	1,200	1,600	1,600	+400	-----
Total, Food and Nutrition Service...	1,443	1,848	1,913	+470	+65
Foreign Agricultural Service.....	718	775	728	+10	-47
Commodity Exchange Authority.....	170	170	170	-----	-----
Agricultural Stabilization and Conserva- tion Service.....	4,602	4,475	4,604	+2	+129
Office of the Inspector General.....	886	928	911	+25	-17
Packers and Stockyards Administration...	207	225	207	-----	-18
Office of the General Counsel.....	383	383	383	-----	-----
Other.....	2,779	2,803	2,792	+13	-11
Rural Electrification Administration.....	876	859	859	-17	-----
Farmers Home Administration.....	7,091	8,192	7,994	+903	-198
Total, U.S. Department of Agricul- ture (excluding Forest Service)...	64,145	66,024	66,678	+2,533	+654

The appropriations recommended in the accompanying bill do not include pay costs arising from Public Law 91-231, approved April 15, 1970. The bill includes consideration of the amounts carried in the Second Supplemental Appropriation Bill (H.R. 17399) for pay costs effective July 1, 1969.

TITLE I—GENERAL ACTIVITIES

AGRICULTURAL RESEARCH SERVICE

Years ago Jonathan Swift said:

And he gave it as his opinion that whoever could make two ears of corn or two blades of grass to grow upon a spot of ground where only one grew before, would deserve better of mankind and do more essential service to his country than the whole race of politicians put together.

In a nut shell, that is one of the things that the Agricultural Research Service has done—contributed greatly to our standard of living.

The Agricultural Research Service was established by the Secretary of Agriculture on November 2, 1953, under the authority of the Reorganization Act of 1949 (5 U.S.C. 133z-15), the Reorganization Plan No. 2 of 1953, and other authorities. It conducts utilization,

nutrition, marketing and consumer use research, plant and animal disease and pest control and eradication activities, and cost of production research. The Administrator of this Service is also responsible for the coordination of all research of the Department. The Service also carries out emergency programs, when necessary, for the control and eradication of animal diseases, such as foot-and-mouth disease, and for the control of emergency outbreaks of insects and diseases.

The Service directs research beneficial to the United States which can be advantageously conducted in foreign countries through agreements with foreign research institutions and universities, using foreign currencies for such purposes. This program is carried out under the authority of sections 104 (b) (1) and (3) of Public Law 480, the Agricultural Trade Development and Assistance Act of 1954, as amended.

Research.—The bill includes \$161,143,200 for the next fiscal year for research, including \$15,000,000 transferred from section 32. This is an increase of \$4,706,000 over the budget request and \$14,341,000 over 1970. In addition to pay costs of \$8,381,000, the increase will provide \$300,000 for research on beef quality at Clay Center, Nebraska, and \$110,000 for research on control of pollution through animal waste management at Bushland, Texas, and Fort Collins, Colorado.

The 1971 budget would leave unstaffed quite a number of newly completed laboratories, built at considerable Federal cost. Such action is justified largely on the basis that a new cooperative and contract program would be evolved. It is the opinion of the Committee that such plans at best are speculative, would require a change in policy, and perhaps legislation. Certainly it would be uneconomical to fail to utilize these new laboratories at: Phoenix, Arizona; Georgetown, Delaware; Gainesville, Florida; Savannah and Byron, Georgia; Baton Rouge, Louisiana; Oxford and Stoneville, Mississippi; Miles City, Montana; Grand Forks, North Dakota; Durant, Oklahoma; Pendleton, Oregon; University Park, Pennsylvania; College Station, Texas; and the malting barley and oat quality laboratories at Madison, Wisconsin, as well as the five utilization laboratories.

The Committee has, therefore, provided \$3,107,000 that benefits may be received from the construction of these laboratories. Such funds will provide about 100 scientists and supporting staff. The Department is directed to keep the Committee fully advised as the plans develop, so that it may be assured of the full and efficient use of the laboratories.

With reference to placement of such new personnel, the Committee calls attention to the provision accompanying the 1965 appropriations act on the use of the Southeastern Utilization Laboratory, where the conferees agreed on the following language:

Also, it is agreed that the new Southeastern Regional Laboratory, provided last year, is an addition to the national utilization research laboratories and is not intended to displace such existing utilization laboratories but primarily to meet the research problems of the southeast area.

The Committee has provided \$1,500,000 for the construction of the much-needed Grasslands Research Center at Temple, Texas. All plans have been completed, and it is believed that research on the restoration of forage constitutes a major need for early action.

The cotton industry, to a large degree because of faulty government policy, faces a difficult situation and all reasonable efforts to produce and regain cotton markets is a must—not merely for those in the business but for the economy. To help with a program, the cotton producers contributed almost \$10,000,000 last year by an assessment of \$1 per bale. A summary of the use of such funds is contained on pages 542–544 of volume 2 of the hearings. In view of this effort by producers with the cooperation of the industry, and the problems faced by the industry plus adverse effects that the lack of cotton exports has on the balance of payments, the Committee has provided \$1,000,000 for cooperative research projects to be matched by the funds available to the Cotton Board through the self-assessment heretofore mentioned. Such projects shall be undertaken only on approval by the Cotton Board and the Secretary. Projects undertaken should show special promise in areas such as improved utilization of cotton and its by-products, and the development and production of products from cotton seed proteins.

Research contingency fund: The Committee again directs that \$100,000 of this fund be used to maintain wholesaling and retailing research at its current level. Such research will be of great benefit to the consumer. The Committee recognizes the value of contract research on short-term problems, but feels that the long-term effort involved in bringing together the research efforts of many disciplines to solve the problems of marketing perishables in major cities requires the continuity of a USDA staff.

The Committee further suggests that the economic losses faced by the hog industry as a result of transmittable gastroenteritis justify additional emphasis enabled by this fund.

Plant and animal disease and pest control.—The Committee recommends an appropriation for fiscal year 1971 of \$98,619,750 for these activities. This is an increase of \$7,810,000 over 1970 and a decrease of \$144,000 under the budget request.

The amount approved includes the following program increases:

1. \$2,000,000 to step up the cooperative effort to eradicate the imported fire ant, which is rapidly building up to the proportions of the screwworm which wrought havoc in the Southwest. These funds should be matched by State and local funds. The imported fire ant currently infests over 120 million acres, does an estimated \$68,000,000 damage annually. It makes many acres of land unusable, and unless stopped, will likely spread over the United States.

2. \$210,000 for expansion of plant quarantine. This increase is viewed as almost mandatory. The number of planes landing in the United States from other countries increased from 179,018 in 1965 to 296,000 in 1969.

3. \$500,000 for hog cholera eradication. This effort is reaching its last stages and represents the successful cooperation and determination of farmers and their government. These funds are needed to assure that sufficient serums and vaccines are on hand to immediately attack and contain a major outbreak.

4. \$1,000,000 for pesticide regulation, a total of \$5,268,000 for 1971. This request is recommended to strengthen the testing and certification, including checking of allegations concerning pesticides damage.

5. \$500,000 to restore the contingency fund for plant pests to \$1,500,000, to be released where there is a good chance for eradication

or control. This action is necessary in view of the multiple threats, including the golden nematode on Long Island and the boll weevil in certain areas of the country.

Finally, the Committee does not approve the Department's recommendation to terminate the control programs on European chafer, sweet potato weevil, soybean cyst nematode, and phoney peach and peach mosaic. The estimated annual economic loss from these pests totals \$13.6 million. The total of \$1,256,000 currently being spent for control seems small by comparison.

Special foreign currency program.—An appropriation of \$5,000,000 is proposed for the coming fiscal year for the purchase of foreign currencies to finance overseas research designed to benefit American Agriculture, and to develop and expand foreign markets for U.S. agricultural commodities. This will enable the conduct of a program at about the same level as 1970.

COOPERATIVE STATE RESEARCH SERVICE

The Cooperative State Research Service was established by Secretary's Memorandum No. 1462 dated July 19, 1961, and Supplement 1, dated August 31, 1961, under Reorganization Plan No. 2 of 1953. The Service carries out (1) administration of the Agricultural Experiment Stations Act of August 11, 1955 (Hatch Act of 1887, as amended), (2) payments under Section 204(b) of the Agricultural Marketing Act of 1946 to State agricultural experiment stations, (3) grants to nonprofit institutions for support of basic scientific research under the act approved September 6, 1958, (4) grants for cooperative forestry research under the act approved October 10, 1962, and (5) grants for facilities under the act of July 22, 1963.

An appropriation of \$65,076,000 is recommended for this program for fiscal year 1971. This is an increase of \$2,566,000 over 1970 including \$138,000 for increased pay costs. This increase will cover the projected additional salary costs to keep the Federal share of employees' pay on a comparable level with Federal employees. Elsewhere in this report, the Committee sets out many of the things which have been done toward rural development. It is the belief of a majority of the Committee that the \$7,459,000 increase projected principally for research on rural development can better be used for increased water and sewerage grants to actually promote development of rural areas while helping to stop pollution at its source. The testimony makes it clear that development of rural communities on a small farm basis would not only be uneconomic, but would not have community support. Therefore it would have little chance to succeed.

EXTENSION SERVICE

Cooperative agricultural extension work was established by the act of May 8, 1914, as amended by the act of June 26, 1953, and the act of August 11, 1955. The legislation authorized the Department of Agriculture to give, through the land-grant colleges, instruction and practical demonstrations in agriculture and home economics and related subjects, and to encourage the application of such information by means of demonstrations, publications, and otherwise to persons not attending or resident in the colleges. Extension educational work is also authorized under the Agricultural Marketing Act of 1946. In

addition, the Service provides 4-H club work and nutrition training in poverty areas. These programs were started last year.

Regular State and county extension work is financed from Federal, State, county, and local sources. These funds are used within the States for the employment of county agents, home demonstration agents, 4-H Club agents, State specialists, and others who conduct the joint educational programs adapted to local problems and conditions.

The Federal Extension Service provides for leadership, counsel and assistance to the 50 States and Puerto Rico. This staff, which is located primarily in Washington, serves as liaison between the Department of Agriculture and the States, provides leadership and assistance to the States in the conduct of the program, and provides leadership in and coordination of the educational phases of all programs under the jurisdiction of the Department.

The Committee recommends \$161,351,000, an increase of \$29,867,000 over the funds available for 1970. This is the full amount requested except for the \$10,400,000 which a majority of the Committee feels can be better utilized in making direct contributions to rural development, such as grants and loans for sewer and water system development and \$40,000 restored to the Rural Community Development Service.

In order to enable the extension aides program to reach the hardest-to-reach poor, the Committee has approved an increase of \$20,000,000. The hearings show that these temporary aides, taken from the target areas and trained by experienced extension personnel, have proven to be effective with those who cannot be reached by the more traditional mass communication and education techniques. It is evident to the Committee that this program must be administered carefully with adequate evaluation to assure that it does not duplicate existing programs of proven effectiveness.

In this regard the Committee is pleased to note the response to the 1970 Committee directive expanding 4-H Club-type work to youth in our towns and cities. Federal funds for this purpose total \$7.5 million of an overall total of \$31.3 million. As stated earlier in the report, our link with the rural facts of life in an increasingly urbanized society seems difficult to maintain. The Committee considers this an outstanding program of proven value, proven by the fine youngsters who have had 4-H training.

The balance of the increases will provide \$3,275,000 for retirement and employees compensation costs, and \$6,592,000 for such additional salary and related costs of State and Federal extension personnel.

FARMER COOPERATIVE SERVICE

The Farmer Cooperative Service was established following the enactment of the Farm Credit Act of 1953 (Public Law 202, Aug. 6, 1953), which transferred the research and technical assistance work for farmers' marketing, purchasing, and service cooperatives, under the Cooperative Marketing Act of 1926 from the Farm Credit Administration to the Secretary of Agriculture.

The Service conducts research, advisory, and educational work with cooperatives on problems of organization, financing, management policies, merchandising, costs, efficiency, and membership to help farmers, who are members of such organizations, improve the operation of their businesses. It cooperates with the Extension Service, land-grant colleges, banks for cooperatives, State departments of agriculture, and

other agencies to bring about better understanding and application of sound cooperative principles and practices. It also advises other Federal agencies on problems relating to agricultural cooperatives.

The Committee recommends an appropriation of \$1,649,000 for this program. This is about the same level as 1970, including pay adjustments, and a reduction of \$40,000 below the amended budget.

SOIL CONSERVATION SERVICE

The Soil Conservation Service was established by the act of April 27, 1935. Through the years this Service, together with the Agricultural Conservation Program, with over 2 million participants, have been a major factor in holding down pollution. The Soil Conservation Service cooperators include watershed groups, and Federal and State agencies having related responsibilities in bringing about physical adjustments in land use that will conserve soil and water resources, provide for agricultural production on a sustained basis, and reduce damage by floods and sedimentation. The Service, with its dams, debris basins, and planned watersheds, provides technical advice to the Agricultural Conservation Program where the Federal Government pays about one-third of the cost and, through these programs, has done perhaps more to hold down pollution than any other activity. These programs with water and sewage systems in rural areas tend to hold pollution back from the areas of greatest damage, the rivers and harbors near our cities.

Conservation operations: The Service provides technical help to farmers and ranchers in the 50 States, Puerto Rico, and the Virgin Islands in carrying out locally adapted soil and water conservation programs.

Watershed programs: The watershed improvement programs of the Department of Agriculture were initiated by the authorization of planning and works of improvement on the original 11 major watersheds covered by the Flood Control Act of 1944. In 1953, the Committee provided \$5,000,000 in the 1954 appropriation act, without a prior budget estimate, to authorize 62 small "pilot" watershed projects to promote national interest in small upstream watershed control. These pilot projects were a tremendous success. The following year, Congress enacted Public Law 566, 83d Congress, which placed this program on a permanent basis. Under authority of section 8 of this same act, as amended, loans to local organizations were authorized to help defray a portion of the local share of the cost of watershed protection and flood prevention projects. Watershed Protection under P.L. 566 programs are now financed through three appropriations designated as "river basin surveys and investigations," "watershed planning," and "watershed works of improvement." Another appropriation, "flood prevention," covers the 11 original major watersheds.

Watershed planning: The Service has general responsibility for making investigations and surveys of proposed watershed projects in response to requests from sponsoring local organizations, and for assistance in the development of watershed work plans.

Watershed protection: The Service has general responsibility for administration of the watershed protection program of the Department, established by Public Law 566, 83d Congress, and the development of its guiding principles and procedures.

Flood prevention: The Service has general responsibility for administration of the flood prevention program, and the development of the Department's guiding principles and procedures. The program is conducted in the 11 major watersheds authorized by the Flood Control Act of 1944.

Great Plains conservation: The Service has general responsibility for administration of the Great Plains conservation program, authorized by Public Law 1021, 84th Congress. This program provides for long-term cost sharing under contracts with farmers and ranchers in designated counties of the 10 Great Plains States.

Resource conservation and development activities: The Service has general responsibility under provisions of section 102, title I of the Food and Agriculture Act of 1962, for developing overall work plans for resource conservation and development projects in cooperation with local sponsors; to help develop local programs of land conservation and utilization; to assist local groups and individuals in carrying out such plans and programs; to conduct surveys and investigations relating to the conditions and factors affecting such work on private lands; and to make loans to project sponsors for conservation and development purposes and to individual operators for establishing soil and water conservation practices.

Conservation operations.—For fiscal year 1971 the Committee recommends \$128,557,000, an increase of \$9,771,000 including pay costs over the 1970 appropriation. In view of the deterioration in staffing from 1966 to the present from almost 3.8 manyears to 3.4 manyears per district, the Committee is providing \$100,000 to staff the 8 new soil conservation districts projected in 1971. The Committee is also providing an additional \$257,000 for accelerated soil survey reports and for the plant materials centers in recognition of the broad contribution of these services to planning and maintaining our land resources. The Committee concurs in the Administration proposal making this appropriation available without fiscal year limitation similar to the other appropriations of this Service.

The Committee points out the action to restore the Agricultural Conservation Program so as to not further aggravate our already polluted environment. Without this action about 870 Soil Conservation Service technical specialists in the support of this program located throughout the U.S. would be lost. The loss of such personnel would greatly reduce the total manpower available to support the activities of the 3,000 soil conservation districts, with resulting damage to our soil, our rivers and the lives of our people.

The Committee has also included language to enable the Soil Conservation Service to better cooperate with the Corps of Engineers in the foothill areas where the problem is a joint one.

River basin surveys and investigations.—For fiscal year 1971 the Committee recommends \$9,043,000, an increase of \$856,000 primarily for pay costs over the 1970 appropriation of \$8,187,000, to continue the participation of the Soil Conservation Service in these broad surveys of water resource needs. Due to reduced carryover funds, this program is \$844,000 below the level of 1970.

Watershed planning.—For fiscal year 1971 the Committee recommends \$6,698,000, the amount available in 1970 including pay costs. The Committee restores the proposed reduction of \$1,264,000 and authorizes 100 new planning starts for 1971.

Watershed works of improvement.—With pollution rampant, the Committee recommends the full budget estimate of \$74,278,000 for this program. This is an increase of \$10,405,000 over the 1970 appropriation of \$63,873,000 and will provide for 70 new construction starts. The Committee has been advised of the great needs of the country in this area, but recognizes that it must also respect critical limits on funding.

The Committee strongly objects to actions of the Budget Bureau in limiting the number of new projects which can be approved for operations, or preliminary engineering work, to the level appropriated for construction. It does not seem to be good planning to limit future action arbitrarily on the basis of today's restrictive budget picture.

Flood prevention.—For fiscal year 1971, the Committee recommends \$21,037,000, a decrease of \$2,886,000 from the fiscal year 1970 appropriation of \$23,923,000, which included amounts available for work in connection with Hurricane Camille. The Committee points out that this program lags many years behind its original schedule and is only 63 percent complete. In addition to flood prevention, these programs are the watershed programs for many regions and are of significant value in control of pollution.

Great Plains conservation program.—For fiscal year 1971 the Committee recommends \$15,355,000, an increase of \$355,000 over the 1970 appropriation of \$15,000,000. This increase is to provide additional pay costs and technical services to cooperators under this program. The Committee notes that damage from wind erosion last year was lower than that in any of the last 35 years.

Resource conservation and development.—For fiscal year 1971 the Committee recommends \$13,876,000, an increase of \$3,624,000 over the 1970 appropriation of \$10,252,000. The Committee, as stated earlier, has been most pleased at the demonstration of local support for this program. There are 68 projects under construction or about to complete planning. In view of these successes, the Committee recommends 5 new planning starts for 1971.

ECONOMIC RESEARCH SERVICE

The Economic Research Service was established by Secretary's Memorandum No. 1446, Supplement No. 1, of April 3, 1961, under Reorganization Plan No. 2 of 1953, and other authorities. The Service develops and carries out a program of economic research designed to benefit farmers and the general public. The findings of this research are made available to farmers and others through research reports and through economic outlook and situation reports on major commodities, the national economy, and the international economy.

The Committee is recommending \$14,592,000 which includes only the \$1,142,000 increase required for 1970 pay costs. The Committee did not feel justified in approving the Department request for such items as \$207,000 additional for improving measures of farm income, an area in which it is already spending almost \$4 million. The Committee recommendation is \$1,636,000 below the budget.

STATISTICAL REPORTING SERVICE

The Statistical Reporting Service was established by Secretary's Memorandum No. 1446, Supplement 1, of April 3, 1961, under Reorganization Plan No. 2 of 1953, and other authorities. The Service was

created to give coordinated leadership to the statistical reporting research and service programs of the Department. It provides a channel for the orderly flow of statistical intelligence about the agricultural economy of this country. The primary responsibilities of this Service are the nationwide crop and livestock estimates, coordination and improvement in the Department's statistical requirements, and special surveys of market potentials for agricultural products.

The Committee recommends a total of \$17,716,800. This is an increase of \$2,304,000 over the amount available in 1970, and \$33,000 below the budget estimate.

Increases are included for further expansion of the multiframe livestock surveys concept to fully implement this program in 16 States, and for increased surveys of on-farm stocks of grain. These programs are designed to apply refined techniques to improve information on supplies of these fundamental farm products. In addition, the Committee has included \$100,000 to provide estimates of white corn production. This crop is grown extensively for a market distinct from corn grown for feed or the table.

CONSUMER AND MARKETING SERVICE

The Consumer and Marketing Service, formerly called the Agricultural Marketing Service, was established November 2, 1953, under authority of section 161, Revised Statutes, Reorganization Plan No. 2 of 1953 and other authorities. The Service carries on the following principal programs:

Consumer, protective, marketing and regulatory programs: These activities contribute to the efficient and orderly marketing of agricultural commodities. They include the Market News Service; meat and poultry inspection; other inspection, grading, classing and standardization services; and regulatory activities such as the Federal Seed Act, Cotton Research and Promotion Act, U.S. Warehouse Act, and others.

Payments to States: The Service administers the matched fund program for marketing activities carried out through cooperative arrangements with State departments of agriculture, bureaus of markets, and similar State agencies.

Removal of surplus agricultural commodities and marketing agreements and orders: These activities directly or indirectly help maintain our food supply by tending to maintain prices received by farmers on a somewhat comparable level with other segments of our economy, and by maintaining orderly marketing conditions through (a) removing from the market surplus agricultural commodities through purchase for donation to eligible recipients, export and diversion payments; and cooperation with the food trade and others to encourage greater consumption of abundant foods; and (b) formulation and administration of marketing agreements and orders.

With the establishment of the Food and Nutrition Service on August 8, 1969, the Secretary transferred the nutrition programs formerly located in C&MS to this new agency.

Consumer protective, marketing and regulatory programs.—The Committee recommends a total appropriation of \$149,247,000, the budget estimate. The increase, including pay costs, is \$15,651,500 over the amount available in 1970.

The current outlook with regard to Federal inspection of intrastate plants or inspection under fully comparable State systems under the terms of the Wholesome Meat Act is uncertain at this time. It will be resolved by December, 1970, when States must meet Federal standards or shift the inspection of intrastate plants to the Federal Government. For this reason, the Committee has placed \$1,000,000 in reserve to be released by the Bureau of the Budget should the need develop. This appropriation would make \$22,599,000 available for matching 50 percent of the State meat inspection costs. The bill provides the full budget increase requested of \$4,931,000 for Federal meat inspection, including \$3,416,000 for Federal inspection in intrastate plants located in States which fail to meet the deadline of December 15 for full comparability with the Federal inspection system.

The budget estimate of \$34,000,000 is provided for poultry products inspection, including \$1,815,000 for grants to States for inspection of intrastate poultry plants. The total includes \$1,165,000 for Federal inspection of intrastate plants in States which fail to show material progress toward developing an inspection program comparable to the Federal program by August, 1970. Because of concentration of poultry plants and the smaller task compared to meat inspection, States have not moved as rapidly to establish poultry inspection systems. As of December, 1969, only 24 States had passed poultry inspection laws.

A summary of the activity is as follows:

	1969	1970	1971
Meat establishments under inspection:			
Intrastate.....	5,498	14,898	14,898
Interstate.....	3,178	3,554	3,614
Poultry establishments under inspection:			
Intrastate.....	300	1,404	1,839
Interstate.....	936	943	951

Payments to States and possessions.—The Committee recognizes the valuable work of the State departments of agriculture and concurs in the budget estimate of \$1,600,000.

Section 32 funds.—Section 32 funds are used to encourage the production of food by stabilizing prices and by the exportation and domestic consumption of agricultural products, and to contribute to stabilizing market prices either through announcements that the Department stands ready to enter the market, or by actual participation in the market. The extent to which funds actually will be obligated and expended for perishables and other surplus removal programs will depend upon the market situation that develops as peak marketing seasons approach. The type of program to be developed also depends upon the kind and volume of existing surpluses and the availability of potential outlets. Generally, surpluses are removed from the market through purchases, which are then donated to schools, institutions and needy persons.

Section 32 represents by far the most practical way to deal with perishable commodities. By buying surpluses, prices are strengthened, income is stabilized, and farm producers can stay in business. This is essential to our food supply as well as to the economy. For the system to work when prices are depressed, the Secretary of Agriculture must have sufficient funds to move in and buy and offer to buy all the foods

in surplus. Often, the mere announcement of intent, backed up with the funds to carry out the program, is sufficient to stem a potentially disastrous price depression.

The Committee approves the amounts estimated in the budget for the full utilization of the section 32, including the increase of \$86,058,000 for the special feeding program originally recommended to the House by this Committee. A summary of the \$186,058,000 provided for this program is as follows:

Allocated to	Fiscal year 1970	Fiscal year 1971	Increase or decrease
Special assistance (free or reduced price lunch) program.....	\$61,000,000	\$151,653,000	+\$90,653,000
School breakfast program.....	1,000,000	3,000,000	+2,000,000
Special milk program.....	20,000,000	-----	-20,000,000
Nonfood assistance program.....	5,000,000	-----	-5,000,000
Nutrition supplement (special packages).....	11,000,000	29,405,000	+18,405,000
State administrative expenses.....	2,000,000	2,000,000	-----
Total.....	100,000,000	186,058,000	+\$86,058,000

This program is administered by the Food and Nutrition Service largely in conjunction with the child nutrition programs.

FOOD AND NUTRITION SERVICE

The Food and Nutrition Service was established August 8, 1969, by Secretary's Memorandum No. 1659 and Supplement 1. It represents a much-needed organizational effort to provide emphasis and concentrated administration of the food programs. These programs include:

Special milk program: Assistance is provided to States for making reimbursement payments to eligible schools and child-care institutions which inaugurate or expand milk service in order to increase the consumption of fluid milk by children.

School lunch programs: Federal assistance is provided to States, Puerto Rico, Virgin Islands, and Guam for use in serving nutritious lunches and breakfast to children attending schools of high school grades or under in order to improve the health and well-being of the Nation's children, and broaden the market for agricultural food commodities.

Food stamp program: This program is authorized by the Food Stamp Act of 1964 (P.L. 88-525, approved August 31, 1964). It is aimed at making more effective use of the Nation's food abundance and at improving nutritional standards of needy persons through the issuance of food coupons which may be used in retail stores for the purchase of commercial brand foods. As heretofore pointed out, all funds for this purpose contained in this bill in excess of \$170,000,000 must be authorized.

Removal of surplus agricultural commodities (section 32): This includes the donation of commodities purchased under the price stabilizing activities of the Consumer and Marketing Service as well as the price support activities of the Commodity Credit Corporation. Special programs provide food to needy children and adults who are suffering

from general and continued hunger. Financial assistance aids State and local units to expand and improve commodity distribution to needy households. A pilot program provides mothers and infants under one year of age from low-income households with food certificates for critical nutrients.

As pointed out earlier in the report, the Committee has been an important source of support for the food programs. This year is no exception. In addition to provisions of the budget totalling \$2.3 billion in direct food aid, the Committee has restored \$104,000,000 for the special milk program, and added \$5,000,000, above the budget estimate, for much-needed kitchen equipment. The total provides \$200,000,000 for free and reduced price lunches for an estimated 6.6 million needy children. The Children's Food Service Bill (Public Law 91-248) passed too late for the Committee to receive a budget estimate or to hold hearings. Such program changes will have to be provided for in the next supplemental.

A summary of the recommendations follows:

FOOD ASSISTANCE PROGRAMS OF THE U.S. DEPARTMENT OF AGRICULTURE

[Program level—Dollars in thousands]

Program	Fiscal year 1969	Fiscal year 1970 ¹	Fiscal year 1971 budget estimate	Fiscal year 1971 House bill
A. Child nutrition program:				
1. Cash grants to States:				
(a) School lunch (sec. 4).....	\$162, 034	\$168, 041	\$169, 721	\$169, 721
(b) Free and reduced price lunches.....	54, 000	134, 800	200, 000	200, 000
(c) School breakfast.....	3, 500	12, 000	15, 000	15, 000
(d) Nonfood assistance.....	748	15, 000	12, 500	17, 500
(e) State administrative expenses.....	153	2, 750	2, 750	2, 750
(f) Nonschool food program.....	23, 244	13, 572	15, 000	15, 000
Total, cash grants.....	223, 679	346, 163	414, 971	419, 971
2. Commodities to States.....	292, 107	230, 205	264, 465	264, 465
3. Federal operating expenses.....	3, 995	5, 282	5, 542	5, 542
Total, child nutrition program.....	519, 781	581, 650	684, 978	689, 978
B. Special milk program:				
1. Milk (direct appropriation).....	102, 048	83, 814	-----	103, 314
2. Special sec. 32 funds used for milk program.....	-----	20, 000	-----	-----
3. Administrative expenses.....	629	686	-----	686
Total, special milk program.....	102, 677	104, 000	-----	104, 000
C. Family feeding program:				
1. Food stamp program.....	250, 981	610, 000	1, 250, 000	1, 250, 000
2. Direct distribution to families:				
(a) Section 32 commodities.....	192, 668	182, 015	160, 300	160, 300
(b) Financial assistance to States.....	4, 154	16, 000	19, 700	19, 700
(c) Federal direct operation at local level.....	1, 300	2, 318	-----	-----
(d) Section 416.....	79, 278	61, 942	92, 745	92, 745
Total, direct distribution to families.....	277, 400	262, 275	272, 745	272, 745
3. Nutrition supplement.....	8, 317	33, 000	40, 000	40, 000
Total, family feeding.....	536, 698	905, 275	1, 562, 745	1, 562, 745
D. Direct distribution to institutions.....	32, 227	12, 889	26, 416	26, 416
E. Nutrition education program³.....	9, 948	30, 000	50, 000	50, 000
Total, food assistance program.....	1, 201, 332	1, 633, 814	2, 324, 139	2, 433, 139

¹ Revised to reflect approval of Public Law 91-207 (Mar. 12, 1970) to provide additional funds for child nutrition program.

² Excludes balances carried forward to succeeding year.

³ Includes administrative expenses.

Special milk program.—The Committee recommends a direct appropriation of \$104,000,000. This is the same total amount available for this program in 1970. It is recognized that the health and well-being

of our nation's children depends in part on providing nutritious foods through our schools. Where such programs are not available, we should at least assure that milk is provided. This program is not currently authorized for fiscal year 1971. H.R. 5554, providing for permanent authorization, has passed the House and Senate. Language has been provided prohibiting expenditure of funds until final action on the authorization.

Child nutrition programs.—The Committee recommends a total child nutrition program level of \$791,478,000. This level exceeds the budget request by \$5,000,000 for equipment assistance.

The total includes \$90,395,000 in direct appropriation, \$174,033,000 by transfer from section 32, \$156,653,000 for special nutritional assistance provided by special language included in section 32, and a \$3,000,000 carryover from the preschool program appropriated in 1970. This represents a total increase of \$108,328,000 over the funds available in 1970, including the additional \$30,000,000 provided on March 12, 1970, by Public Law 91-207.

The Committee recommends \$17,500,000, for food service equipment, an increase of \$2,500,000 above 1970 and \$5,000,000 above the budget. It is hoped that these funds will be used to encourage modern kitchens with facilities to provide hot, appetizing food to the individual schools from central locations wherever this is feasible.

The Committee concurs in the requested increase of \$1,680,000 for the regular school lunch program for a total of \$169,721,000 for 1971.

Free and reduced price lunches: The Committee concurs in the requested increase of \$75,200,000 for free and reduced price lunches. This level will allow the extension of the lunch program to all 6,600,000 needy children estimated by the Administration.

Public Law 91-248, the Children's Food Service Programs Bill was signed by the President on May 14, 1970. This bill provides for advance appropriations for the Child Nutrition Act and the National School Lunch Act. It further provides for a national standard for children eligible for free and reduced price lunches and sets limits on what they may be required to pay. It authorizes the nonfood assistance program, for which \$17,500,000 has been provided in this bill. The new bill provides a minimum State revenue matching requirement as opposed to the current practice of meeting the matching requirements of the National School Lunch Act with children's payments.

The Administration has not had time to provide estimates on which the Committee can act and the funds provided, though extensive, are not specifically based on these amended provisions. The Committee recognizes their far-reaching effect and, where necessary, authorizes the administration of the program at a quarterly rate in excess of the annual amounts recommended in this bill until such time as the program estimates can be reviewed in connection with the first supplemental.

Food stamp program.—The Administration recommended an appropriation of \$1,250,000,000. The Committee has approved the recommendation subject to subsequent authorization by the Congress. This program is currently authorized only through December, 1970, at a level of \$170,000,000. The Committee has therefore had to provide language which would prohibit the expenditure of these funds until properly authorized. Because of the size and importance of this program, this unusual action is recommended because it seems the only way to proceed expeditiously. The significant expansion of this program resulted from the program modifications made possible by the

\$610,000,000 appropriated in 1970. In December the Secretary announced program changes which assured sufficient bonus coupons to provide a minimum adequate diet to eligible families. These modifications resulted in a monthly bonus cost in April of \$70,000,000. This is more than double the cost for January.

FOREIGN AGRICULTURAL SERVICE

The Foreign Agricultural Service was established March 10, 1953, by Secretary's Memorandum No. 1320, Supplement 1. Public Law 690 approved August 28, 1954, transferred the agricultural attaches from the Department of State to the Foreign Agricultural Service.

The primary function of this organization is to help American agriculture in maintaining and expanding foreign markets for agricultural products, so vital to the economic well being of the Nation. It maintains a worldwide agricultural intelligence and reporting service to assist U.S. agricultural industry in its export operations through a continuous program of analyzing and reporting foreign agricultural production, markets, and policies. It attempts to help develop foreign markets for U.S. farm products through administration of special export programs and through helping to secure international trade conditions that are favorable toward our products.

The Committee recommends a total of \$27,140,000, a program increase of \$250,000 over the amount available in 1970 plus pay costs.

The Committee is providing \$250,000 solely for the attache service in the field in Far Eastern markets.

The Committee believes this agency has adequate U.S.-based personnel available to meet its objectives. It must take more direct action such as insisting that commodities are available for foreign buyers in the form, quality, and quantity they desire on a consistent basis.

COMMODITY EXCHANGE AUTHORITY

The Commodity Exchange Authority administers the Commodity Exchange Act of September 21, 1922, as amended. The objectives are to prevent commodity price manipulation and market corners; prevent dissemination of false and misleading crop and market information affecting commodity prices; protect hedgers and other users of the commodity futures markets against cheating, fraud, and manipulative practices; insure the benefits of membership privileges and contract markets to cooperative associations of producers; insure trust fund treatment of margin moneys and equities of hedgers and other traders, and prevent the misuse of such funds by brokers; and provide information to the public regarding trading operations and contract markets.

The Committee recommends the budget estimate of \$2,552,000 for the next fiscal year. This is a program increase of \$74,000 and coupled with savings effected will enable the agency to utilize computers to aid in regulating the growing trade in commodity futures.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

The Agricultural Stabilization and Conservation Service was established by the Secretary of Agriculture on June 5, 1961, under the authority of Reorganization Plan No. 2 of 1953, in accordance with the

Reorganization Act of 1949, as amended (5 U.S.C. 133Z). The Service carries on the following principal programs from appropriated funds:

Production adjustment programs: The Agricultural Adjustment Act of 1938, as amended, authorizes production adjustment for designated basic commodities (tobacco, peanuts, wheat, cotton, and rice) through acreage allotments, and the adjustment of supplies through marketing quotas when supplies reach specified levels in relation to normal demand.

Sugar act program: The chief objective of the Sugar Act of 1948, as amended, is "to protect the welfare of consumers of sugar and those engaged in the domestic sugar-producing industry." This involves (a) determination of U.S. consumption requirements; (b) administration of quotas to regulate imports of sugar produced in foreign areas, as well as marketing of sugar produced in domestic areas; and (c) payments to domestic producers of sugarbeets and sugarcane, provided producers comply with certain labor, wage, price, and marketing requirements prescribed by law.

Agricultural conservation program: This program is authorized by the provisions of sections 7 to 16(a), inclusive, and section 17 of the Soil Conservation and Domestic Allotment Act, as amended. Its objectives include (1) restoring and improving soil fertility, (2) reducing erosion caused by wind and water, and (3) conserving water on land. Cost-sharing assistance is furnished to individual farmers and ranchers in the 50 States, Puerto Rico and the Virgin Islands for carrying out approved soil-building and soil- and water-conserving practices on their farms. This assistance represents only a part of the cost of performing the practices. The farmer bears the balance of the cost, and in addition supplies the labor and management necessary to carry out the practices.

Cropland adjustment program: This program was authorized in the Food and Agriculture Act of 1965. Its purpose is to assist farmers, through long-term agreements, to divert land from the production of certain crops to more needed uses that will promote the development and conservation of our soil, water, forest, wildlife, and recreational resources. The program also establishes, protects, and conserves open spaces and natural beauty and prevents air and water pollution.

Emergency conservation measures: The objective of this program, which is authorized by the Third Supplemental Appropriation Act of 1957 and the Supplemental Appropriation Acts of 1958 and 1959, is to restore to normal agricultural use farmlands which have been damaged by wind erosion, hurricanes, floods, or other natural disasters. To this end, farmers are offered cost-sharing assistance for carrying out approved practices.

Conservation reserve program: The conservation reserve program authorized by the Soil Bank Act is a long-range program under which farmers have voluntarily contracted to take cropland out of production for a specified number of years and devote it to conservation uses. In return the farmer receives (a) an annual rental payment for the contract period, and (b) assistance

in either cash or conservation materials and services for carrying out approved conservation practices on the reserved acreage.

Commodity Credit Corporation program activities: Various price support and related programs have been authorized in numerous legislative enactments since the early 1930s. Operations under these programs are financed through the Commodity Credit Corporation. Personnel and facilities of the Agricultural Stabilization and Conservation Service are utilized in the administration of programs of the Commodity Credit Corporation, and the Administrator of the Service is also Executive Vice President of the Corporation.

Foreign assistance programs and other special activities: Various surplus disposal programs and other special activities are conducted pursuant to specific statutory authorizations and directives. These laws authorize the use of CCC funds and facilities to implement the programs. Appropriations for these programs are transferred or paid to the Corporation for its costs incurred in connection with these activities, such as Public Law 480; Bartered materials for supplemental stockpile; and National Wool Act.

Expenses, Agricultural Stabilization and Conservation Service.—The Committee proposes an appropriation of \$152,690,000 for the coming year for the operating expenses of the various programs administered by this agency. The amount recommended is an increase of \$17,224,000 over the 1971 budget request and is the same level as 1970 adjusted for pay costs. The increase provides \$20,224,000 to administer the Agricultural Conservation Program and reflects a reduction of \$3,000,000 resulting from savings made in 1970.

In addition to the direct appropriation, transfers for Commodity Credit Corporation administrative costs are recommended totalling \$68,779,000, the same as the budget estimate and \$6,296,000 over the amount approved for 1970. This increase is necessary due to expanded inventories and to restore the contingency reserve used for pay costs in 1970.

Sugar Act Program.—The full budget request of \$83,600,000 is recommended for this program. This is \$9,400,000 below the appropriation for 1970, due principally to the drop in payments to producers in the continental beet area where the 1970 crop production is estimated at 375,000 tons less than the 1969 crop.

Payments are made under this program to domestic producers of sugar beets and sugar cane who comply with certain special requirements. To finance these payments, a tax of 50¢ per hundred pounds is imposed on all beet and cane sugar processed in or imported into the United States for direct consumption. During the period 1938–1969, collections of \$2.7 billion from excise taxes and import duties have exceeded the payments by \$612 million.

Agricultural Conservation Program.—The budget request of \$185,000,000 is recommended for 1971 to make payments earned under the 1970 program authorized last year. Amounts due under this program are legal commitments and funds must be provided. All contracts are entered into under the program announced the previous year.

The Committee strongly regrets that \$10,500,000 of the amount provided by the Congress to plan the 1970 program was held in reserve by the Budget Bureau. That represents \$25,000,000 worth of conservation and pollution control that the country cannot well afford to lose.

The Committee has restored the 1971 program authorization to the \$195,500,000 level authorized for 1970, as well as the \$20,224,000 to administer this program under Expenses, ASCS.

In the opinion of the majority of the members of the Committee, the funds expended through this program return to the Nation the greatest possible conservation benefits including pollution prevention. This program provides the best possible means of meeting local conservation needs as determined locally in all areas of the country. It has proven to be far more comprehensive and effective than other approaches adopted in recent years.

Conservation practices under this program are developed initially at the local level by ASC State and county committees, the Soil Conservation Service, and the Federal Forest Service. Representatives of the land-grant colleges, the Farmers Home Administration, State conservation committees, and other State and Federal agricultural agencies also participate in these determinations.

The recommendations of these groups are used as the basis for formulating joint recommendations to the Agricultural Stabilization and Conservation Service in Washington. From these recommendations, the various agencies of the Department in Washington develop and recommend to the Secretary of Agriculture a national program. State and local people then develop their local programs within the structure of the national program approved by the Secretary. No practices are adopted and put into effect in any State or county unless approved by the local conservation groups.

The contribution of the ACP program to the watershed program and other conservation efforts of the Nation is reflected in the following table:

Practice	Unit (in thousands)	Accomplishments 1936-1968
Water storage reservoirs constructed to distribute grazing, control erosion, and conserve irrigation water and wildlife.	Structures.....	2, 072
Terraces constructed to control erosion or conserve water.....	Acres.....	30, 697
Stripcropping systems established to control wind or water erosion and conserve water.	Acres.....	113, 404
Permanent sod waterways established to control erosion and safely dispose of excess runoff.	Acres.....	1, 050
Competitive shrubs controlled on range or pasture to permit growth of adequate cover for erosion control.	Acres.....	57, 662
Trees and shrubs planted for forestry purposes, erosion control, or land-use adjustment.	Acres.....	4, 794
Forest tree stands improved for forestry purposes and erosion control.....	Acres.....	3, 931

Cropland adjustment program.—This program is authorized by title VI of the Food and Agriculture Act of 1965. Its purpose is to assist farmers, through long-term agreements, to divert land from the production of unneeded crops to uses that will promote the development and conservation of soil, water, forest, wildlife, and recreational resources.

In return for diverting the cropland to approved uses, producers receive adjustment payments. They also are eligible to receive cost-sharing assistance for establishing approved conservation uses. The period of a contract cannot be less than 5 years and not more than 10 years.

The Committee proposes an appropriation of \$77,800,000, the level recommended in the budget. This is a reduction of \$800,000 below the

appropriation for 1970. These payments are required for agreements entered into in 1966 and 1967. The authorization ends this year.

Emergency conservation measures.—This appropriation provides special funds for sharing the cost of emergency conservation measures to deal with cases of severe damage to farm and rangelands resulting from natural disasters. The criteria under which assistance may be made available are set forth in the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590(h)).

Funds are allocated for use only in those counties designated by the Secretary of Agriculture as disaster counties. Assistance is made available to treat new conservation problems which (1) if not treated will impair or endanger the land, (2) materially affect the productive capacity of the land, (3) represent damage which is unusual in character and, except for wind erosion, is not the type which would recur frequently in the same area, and (4) will be so costly to rehabilitate that Federal assistance is or will be required to return the land to productive agricultural use.

The budget request of \$5,000,000 is recommended by the Committee. This is the same level appropriated in 1970. This amount plus anticipated carryover funds estimated at \$11,500,000, should total \$16,500,000 for such emergency situations as may arise in 1971.

RURAL COMMUNITY DEVELOPMENT SERVICE

The Rural Community Development Service was established by the Secretary of Agriculture's Memorandum No. 1570 dated February 24, 1965. It cooperates with other agencies in all phases of rural development, and serves the Secretary of Agriculture and other departments of government at the Washington level in the implementation of rural development programs. It also identifies Federal programs outside the Department of Agriculture that are still not effectively reaching rural areas because of difficulties of communicating with a dispersed rural population. It works with Federal departments and agencies having such programs to develop effective means for overcoming these difficulties by appropriate adjustments in the programs and by setting up appropriate methods of utilizing the services of the Farmers Home Administration and other Department of Agriculture agencies to facilitate rural development programs which supplement the regular programs of these agencies in rural areas.

Secretary's Memorandum No. 1679 dated January 30, 1970, abolished the Rural Community Development Service and, as indicated in the budget amendment transmitted in House Document 91-305, transferred its functions to the following agencies: Office of the Secretary, \$140,000; Farmer Cooperative Service, \$23,000; Extension Service, \$140,000; Farmers Home Administration, \$91,000; Rural Electrification Service, \$44,000; Soil Conservation Service, \$32,000; and Forest Service, \$14,000.

In 1966 the Committee stated :

The Committee is in favor of efforts to meet rural problems and will continue to support them. The Committee believes, however, that such programs have been handled effectively in the past through the regular established agencies of the Department, which have been working successfully with rural

people through the years. These old-line agencies have the funds, qualified technicians, and established field offices to meet the needs of rural areas. They can function more effectively if additional layers of supervision are not added between Washington and the rural areas to be served.

However, the Committee also recognizes a need to coordinate the multiple efforts in and out of the Department. A small staff must be preserved to assure that all the programs are brought to bear on the solution of this most critical task ahead, and the Committee is providing \$230,000 for this purpose. This amount is compared to \$450,000 for 1970.

OFFICE OF THE INSPECTOR GENERAL

Internal audit, inspection, and investigations activities are carried out by the Office of the Inspector General, which was established by the Secretary of Agriculture's Memorandum No. 1503 dated June 25, 1962, and No. 1524 dated December 21, 1962. The Office is responsible to the Secretary for assuring that existing laws, policies, and programs of the Department are effectively complied with on every level of administration in accordance with the intent of the Congress and the Secretary. It insures prompt and appropriate corrective action in those areas in which deviation from established law, policy, procedure, rules, or regulations has developed; and conducts internal audit, inspection, and investigative activities within the Department and coordinates and correlates them with various investigative agencies of the executive and legislative branches of the Government.

The Committee recommends program increases of \$650,000, and \$1,071,000 largely for 1970 pay costs. This addition over 1970 will provide \$15,378,000 for 1971.

The Committee recommends \$497,000 to expand the food stamp investigation activities due to the alarming increase in thefts of food stamps. The problem will become more complicated as food stamps become more valuable in terms of the federal funds they represent and as they are issued in larger quantities.

The Committee also recommends an additional \$85,000 for audit and control in the pesticide area and \$68,000 for the expanding cooperative meat and poultry programs.

The Committee feels that program reviews, in addition to those of school lunch authorities, would be duplicating the work of program administrators. For this reason the increase in this field has been disallowed.

PACKERS AND STOCKYARDS ADMINISTRATION

This agency administers the Packers and Stockyards Act of 1921, as amended (7 U.S.C. 181-229), which is designed to assure free, open, and fair competition and fair practices in the marketing of livestock, live poultry, meat and dressed poultry. It protects consumers against unfair business practices in the marketing of meat and poultry. It protects members of the livestock marketing and meat industries from unfair, deceptive, discriminatory and monopolistic practices of competitors.

Investigations are conducted to determine that the operations of packers and retail organizations do not involve the proscribed malpractices. Through the use of required annual and special reports, as

well as audits, the financial stability of these organizations is determined in order to guard against loss to persons and firms dealing with them. When violations or insolvencies are established, procedures to obtain cease and desist orders are initiated in order to prevent future violations.

Operations of stockyards, market agencies, and dealers are investigated and audited to assure that their business practices are fair and in free open competition; that they are financially sound; and that adequate services and facilities are furnished by stockyards and market agencies at reasonable and nondiscriminatory rates and charges.

The Committee recommends an appropriation of \$3,508,650, for pay increases of \$154,000 over 1970 and \$239,350 below the budget. This agency has been expanded significantly since its establishment as a separate agency, and the Committee feels that it has reached a level of investigation adequate for the current business level.

OFFICE OF THE GENERAL COUNSEL

The Office of the General Counsel, originally known as the Office of the Solicitor, was established in 1910 as the law office of the Department of Agriculture, and performs all of the legal work arising from the activities of the Department. The General Counsel represents the Department in administrative proceedings for the promulgation of rules having the force and effect of law; in quasi-judicial hearings held in connection with the administration of various programs and acts; and in proceedings before the Interstate Commerce Commission involving freight rates and practices relating to farm commodities, including appeals from the decisions of the Commission to the courts. He serves as General Counsel for the Commodity Credit Corporation and the Federal Crop Insurance Corporation. He reviews criminal cases arising under the programs of the Department for referral to the Department of Justice.

The budget request of \$5,657,000, the same as last year revised for pay costs, is recommended by the Committee. The Committee is concerned by the rising litigation in which the General Counsel must participate, but has been assured that the request is adequate to meet these needs.

OFFICE OF INFORMATION

The Office of Information was established under its present name in 1925 as a consolidation of functions formally organized as early as 1889, to coordinate in the Department the dissemination of information useful to agriculture as directed by the act establishing the Department of Agriculture in 1862.

The Office has general direction and supervision of all publications and other information policies and activities of the Department, including the final review, illustrating, printing, and distribution of publications; clearance and release of press, radio, television, and magazine materials; maintenance of central files of news and general illustration-type photographs; and the preparation and distribution of exhibits and motion pictures. The Office publishes the Yearbook of Agriculture, the annual report of the Secretary of Agriculture, the Department Directory, and the Department List of Publications;

handles the details of distributing farmers' bulletins allotted to Members of Congress; and services letter and telephone requests for general information. Under the Department's working capital fund, the Office also produces visual informational materials, such as motion pictures, art and graphics materials, and still photographic work for the Department and for other Government agencies.

The full budget estimate of \$2,256,000, including pay costs of \$150,000 is recommended by the Committee. This continues the same program level as 1970.

NATIONAL AGRICULTURAL LIBRARY

The Library, pursuant to the Department's organic act of 1862, and under delegation from the Secretary, "procures and preserves all information concerning agriculture which can be obtained by means of books * * *." Under the act establishing the Department, the Library also serves as the National Agricultural Library.

The Library makes available to the research workers of the Department and the State agricultural colleges, as well as to the general public, the agricultural knowledge of the world that is contained in published literature. The Library collects current and historical published material and organizes it for maximum service to the Department and to the public through reference services, loans of publications, bibliographical services, and photo reproductions of library material. It issues a monthly Bibliography of Agriculture in which is listed the agricultural literature of the world. The book collection approximates 2 million volumes.

The Committee recommends an appropriation of \$3,614,750, a program increase of \$200,000 over the funds available in 1970 and \$300,000 below the budget estimate. This increase will be used to preserve and microfilm books and periodicals, and will enable expanding the procurement of new books. A survey indicated that the library collection averaged about 55 percent completeness.

The Committee has not provided the \$800,000 requested for a new cafeteria to be located in the new library building. This action, based on budget stringencies, represents a deferral without prejudice but urges the Department to further explore other alternatives. The Department must guard against any short-sighted reallocation of space planned for future library expansion.

OFFICE OF MANAGEMENT SERVICES

The Office of Management Services provides consolidated management support services to certain agencies and offices of the Department. It was established by Secretary's Memorandum No. 1529 dated January 29, 1963, to provide greater economy and effectiveness in the rendering of management service through utilization of manpower and management techniques; increased specialization of professional skills; and more extensive use of time-saving equipment.

The consolidated management support functions include budget and finance, personnel and related programs, administrative services, and information work. The organization structure of OMS is based upon these functions with operating divisions providing the services for the following agencies and offices: Office of the Secretary, Office of Budget

and Finance, Office of Hearing Examiners, Office of Management Improvement, Office of Personnel, Office of Plant and Operations, Office of Information, National Agricultural Library, Office of the General Counsel, Office of the Inspector General, Farmer Cooperative Service, Commodity Exchange Authority, Cooperative State Research Service, Economic Research Service, Statistical Reporting Service, Rural Community Development Service, and the Foreign Economic Development Service.

The Committee recommends an appropriation of \$3,384,000, an increase of \$135,000 over 1970 plus pay costs. This is a reduction of \$134,000 below the budget estimate. The increase recommended will enable this agency to meet its responsibilities for 1971 including the updating of necessary accounting equipment.

GENERAL ADMINISTRATION

The Secretary of Agriculture, assisted by the Under Secretary, the Assistant Secretaries, and members of their immediate staffs, directs and coordinates the work of the Department; formulates and develops policy; maintains relationships with agricultural organizations and others in the development of farm programs; and maintains liaison with the Executive Office of the President and Members of Congress on all matters pertaining to legislation and policy to insure effective performance of the agricultural programs of the Department.

The following activities are also included under General Administration:

Personnel administration and services is carried on by the Office of Personnel, the staff agency with responsibility for the personnel management program of the Department.

Budgetary and financial administration and service is carried on by the Office of Budget and Finance, the staff agency with responsibility for functions relating to overall administration of the budgetary, fiscal, and related affairs of the Department.

General operations are carried on by the Office of Plant and Operations, a staff agency exercising general staff management direction of the housing of the Department's activities; the leasing of commercial space and management of real property; procurement activities; purchasing, warehousing, utilization and disposal of administrative and operating supplies and equipment.

Management appraisal and systems development functions are carried out by the Office of Management Improvement which was established by Secretary's Memorandum No. 1477 of December 8, 1961. The Office is responsible for the general direction, leadership, and coordination in the department of management appraisals, systems designs, automatic data processing, operations research, and related management techniques.

Regulatory hearings and decisions include the work of the Office of Hearing Examiners and of the Judicial Officer. The hearing examiners carry out the provisions of the Administrative Procedure Act relating to the holding of hearings (5 United States Code 556). Hearings are held in connection with prescribing of new regulations and orders, and on disciplinary complaints filed by the Department, or on petitions filed by private parties asking relief from some action of the Department.

The Committee recommends an appropriation of \$5,559,000, an increase of \$721,000 over 1970 and a reduction of \$482,000 below the amended budget. The bill provides \$511,000 for increased overall management improvement efforts and for pay costs in 1970. House Document No. 91-305 amended the budget to abolish the Rural Community Development Service and places \$140,000 in this appropriation. The Committee has restored this amount to RCDS together with small amounts from other affected agencies.

The Committee is again providing for transfer of funds from the working capital fund in the amount of \$269,000 and is providing for a direct appropriation of \$210,000 for contract compliance. These amounts provided will enable the Department to meet its portion of the Governmentwide responsibilities in this regard.

TITLE II—CREDIT AGENCIES

RURAL ELECTRIFICATION ADMINISTRATION

The Rural Electrification Administration was established by Executive Order 7037 of May 11, 1935, to make loans for extension of central station electric service to unserved rural people. It was continued by the Rural Electrification Act of May 20, 1936, and became part of the Department of Agriculture on July 1, 1939, under Reorganization Plan II. On October 28, 1949, Public Law 423 amended the act to authorize loans for furnishing and improving rural telephone service. Electric and telephone construction loans are self-liquidating within a period not to exceed 35 years at 2 percent interest.

Loan authorization.—The full budget estimate of \$322,000,000 in new authorization for electrification loans and \$123,800,000 for telephone loans is recommended. These new authorizations together with carryover funds will enable the Administrator to make new loans of \$345,000,000 and \$125,000,000, respectively.

In addition, the Committee is recommending \$20,000,000 over the budget estimate to be placed in budgetary reserve and released by the Bureau of the Budget to either the electric or telephone programs where the most acute need may exist. This amount is equal to the \$20,000,000 placed in budgetary reserve and not released in fiscal year 1970.

Rural telephone systems and rural electricity, which started slowly with a drop-light in the ceiling and power for the radio, is now available through 1900 electric and telephone systems financed by REA to more than 25 million people. Rural electricity supplies a substitute for farm labor which is no longer available while providing all the conveniences found in city homes. The area coverage provided makes room for the increasing millions of Americans relieving our already overcrowded cities. Certainly power and communications are fundamental to a "balanced growth policy."

In 1935 only 10 percent of the farms received central station electric power and it is now 98.4 percent. This fact is often used to suggest that REA has finished its task. This could not be less true. Energy consumption is presently increasing at the rate of 6 million kilowatt hours per year. The average kilowatt hours per month per consumer has increased from 543 to 616 kilowatt hours in the last two years. Consumption of power is expected to increase to an estimated 135 billion kilowatt hours by 1980.

To meet this massive requirement, Congress must continue to play its role. The REA borrowers themselves are likewise seeking other means within their own organization to meet their obligation to their consumers. They are forming the National Rural Utilities Finance Corporation to commence operations this year. Whether this system works will have to await the action of the money markets.

Because of this, the Committee suggests that where the financial condition of a borrower is sound and where the Government's interest is adequately safeguarded, the Administrator considers deferring repayments on outstanding loans for up to three years. Such action where necessary would enable the cooperatives to more fully subscribe the stock of this new lending institution.

Likewise the need for telephone service continues to expand and the existing financing falls short of the need. Other financing must be sought to fill this need. It is becoming increasingly evident that the Congress, REA and the telephone cooperatives themselves must look to other means to meet this growing need.

Information placed in the record by REA indicates that the largest number of unfilled loan applications will occur in the distribution program. The Committee, as in the past, recognizes the importance of having G & T loan funds available to strengthen borrowers' bargaining positions and to provide needed power supply where inadequate facilities exist or where such supplies cannot be obtained economically. However, it is essential that generation and transmission loans be held to a minimum until the urgent needs for distribution facilities are first met since State law and territorial agreements properly prohibit competing power systems from servicing REA borrowers. On the other hand wholesale power can be supplied by any source available.

The Committee also suggests that the Administrator give special consideration to both REA and RTA borrowers with the lowest density of consumers and major problems. The Committee for years has supported the concept of area coverage. Although 98.4 percent of the United States has central station electric power available, in sparsely populated areas, particularly those with severe weather conditions, there are major problems for rural electricity and rural telephones. In those cases, loans over a longer period of time might be in order to justify what might not otherwise be feasible.

Salaries and expenses.—For the administrative cost of REA, \$14,613,000 is recommended. This is a program increase of \$75,000 over 1970 to continue modernizing the operations of this organization and a reduction of \$10,000 below the budget restored to RCDS.

FARMERS HOME ADMINISTRATION

The Farmers Home Administration, established November 1, 1946, conducts the following primary activities:

Makes direct and insured farm ownership loans to farmers and ranchers for acquiring, enlarging, or improving farms, including farm buildings, land development, use and conservation, refinancing indebtedness, and for loan-closing costs. Loans are repayable in not more than 40 years and bear interest not in excess of 5 percent. Insured loans are made with funds advanced by

private lenders and payments of principal and interest are fully guaranteed.

Makes direct and insured soil and water conservation loans to farmers and ranchers and to associations for the effective development and utilization of water supplies and for the improvement of farmland by soil and water conserving facilities and practices. Loans are repayable in not more than 40 years and bear interest not in excess of 5 percent. Insured loans are made on the same basis as farm ownership insured loans.

Makes direct operating loans to farmers and ranchers for costs incident to reorganizing a farming system for more profitable operations, for a variety of essential farm operating expenses such as purchase of livestock, farm equipment, feed, seed, fertilizer, and farm supplies, for financing land and water development, use and conservation, for refinancing indebtedness, for other farm and home needs, and for loan-closing costs. Loans bear interest at $6\frac{5}{8}$ percent and may be made for periods up to 7 years, but may be renewed for not more than 5 additional years.

Makes direct emergency loans in designated areas where a natural disaster has caused a general need for agricultural credit which cannot be met for temporary periods of time by private, cooperative, or other responsible sources, including the Farmers Home Administration. Emergency loans bear interest not in excess of 3 percent and are repayable not later than provided for the regular loans for similar purposes.

Makes direct rural housing loans for building purposes and insured rural housing loans pursuant to title V of the Housing Act of 1949, as amended, to farm owners, to owners of other real estate in rural areas and long-term farm leaseholders in rural places with a population of up to 5,500. Rural housing loans are made to construct, improve, alter, repair or replace dwellings and essential farm service buildings that are modest in size, design and cost. Insured loans are repayable in not more than 33 years and bear interest at $6\frac{1}{4}$ percent.

Makes watershed and flood prevention loans from funds appropriated under "Watershed protection, Soil Conservation Service" and under "Flood prevention, Soil Conservation Service." Such loans are made to local organizations for installing, repairing, or improving works of improvement and water storage facilities, purchasing sites or rights-of-way and for related costs. Loans are repayable in not more than 50 years at an interest rate based on specified outstanding obligations of the Treasury.

Makes direct resource conservation and development loans to sponsors of projects approved for operation by the Soil Conservation Service. Such loans are repayable in not more than 30 years with repayment of principal and interest deferred up to five years if necessary. These loans bear interest at a rate based on the rate paid by similar Treasury issues.

Makes grants for the preparation of comprehensive plans for the development of water and sewer systems in rural areas pursuant to subtitle A of the Consolidated Farmers Home Administration Act of 1961, as amended. Grants for preparation of comprehensive water and sewer plans may be made to public bodies

such as counties, townships, planning commissions, and similar units of government, and to such other agencies as may have authorization to prepare such official comprehensive plans. The amount of each such grant will be limited to the actual expenses for the preparation of the plans which are outside the normal budget of the recipient organization.

Makes grants for water and sewer development costs pursuant to subtitle A of the Consolidated Farmers Home Administration Act of 1961, as amended. Development grants are made to associations, including corporations operating on a nonprofit basis, municipalities, and similar organizations, generally designated as public or quasi-public agencies, that propose projects for development, storage, treatment, purification, and distribution of domestic water or the collection, treatment, or disposal of waste in rural areas. Such grants may not exceed 50 percent of the development cost of the projects, and supplement other funds borrowed or furnished by applicants to pay development costs. No loan or grant may be made which would cause the unpaid principal indebtedness of any association owed to the Farmers Home Administration, together with the amount of any assistance in the form of a grant, to exceed \$4 million at any one time.

Makes insured loans for rural rental housing pursuant to title V of the Housing Act of 1949, as amended. Such insured loans are made to individuals, corporations, associations, trusts, or partnerships to provide moderate cost rental housing and related facilities for elderly persons in rural areas. These loans, made with funds advanced by private lenders, are repayable in the number of years best suited to the individual case and bear interest at 6 $\frac{1}{4}$ percent.

Makes direct loans for rural rental housing pursuant to title V of the Housing Act of 1949, as amended. Such direct loans are made to private nonprofit corporations and consumer cooperatives to provide modest cost rental housing and related facilities for elderly persons of low or moderate income in rural areas. These direct loans, made from the rural housing direct loan account, are repayable in not more than 50 years and bear interest at a rate similar to that of the direct loan program of the Housing and Home Finance Agency for the elderly in urban areas, which is currently 3 percent.

Makes insured farm labor housing loans pursuant to title V of the Housing Act of 1949, as amended. Such insured loans are made either to a farm owner or to a public or private nonprofit organization to provide modest living quarters and related facilities for domestic farm labor. These loans, which are made with funds advanced by private lenders, are repayable in not more than 33 years at not in excess of 5 percent. Otherwise, insured farm labor housing loans are subject to the same terms and limitations applicable to other types of insured loans, except that these loans are not limited to family farms or to any specific amount.

FHA's major loan programs are financed through two insurance funds—the Agricultural Credit Insurance Fund and the Rural Housing Insurance Fund. The 1970 budget anticipated making loans totalling \$2.2 billion. This method of financing, for various reasons, has not come up to expectations and is presently estimated at \$1.6 billion. This action is reflected in farm ownership loans which will be reduced from \$325 million to \$250 million, rural housing loans from \$1.2 billion to \$758 million, and water and sewer loans from \$110 million to \$80 million. Although these insured loan funds require no annual Appropriation Committee action, the Committee does express its concern over the widespread need for capital in rural areas to stem the tide of rural outmigration where farms are being abandoned and where 50 percent of our substandard homes are located. For 1971, the Committee is again presented with a dramatic budget for loans totalling \$2.2 billion. Again the loans are predicated on a sizable sales program. The Committee urges that these loans be made.

Direct loan account.—Pursuant to the Consolidated Farmers Home Administration Act of 1961, a direct loan account was established in fiscal year 1962. Collections of principal and interest on loans outstanding are deposited in the direct loan account and are available for principal and interest payments on borrowings from the Secretary of the Treasury, and for making additional loans for (a) farm ownership, (b) soil and water conservation, and (c) operating purposes. Such loans may be made only in such amounts as may be authorized in annual appropriation acts.

The bill authorizes continuation of the loan programs financed under this account at the fiscal year 1970 level, as follows:

Real estate loans (including farm ownership and soil and water loans)	\$83, 000, 000
Operating loans.....	275, 000, 000
Soil conservation loans (watersheds, flood prevention, resource conservation and development).....	8, 700, 000
Total loan authorizations.....	366, 700, 000

The Committee has restored proposed budget reductions of \$37,500,000 in direct soil and water loans and \$2,300,000 in soil conservation loans. The Committee believes that these programs should not be reduced in that they are loans to local people to help them meet their local responsibilities in water resource development and pollution control. It is important that the Department of Agriculture have strong programs to meet the multiple needs of rural development.

It has been reported to the Committee that there are 34,763 small towns of less than 5,500 population without public water systems and 44,567 that do not have adequate waste disposal facilities.

Rural Housing Insurance Fund.—The Housing and Urban Development Act of 1969 (P.L. 91-152) merged the Rural Housing Direct Loan Account into the Rural Housing Insurance Fund.

The Committee restores the direct loan funds included in this account to the 1970 level. The \$30 million made available includes \$27

million for direct loans to individuals for very low income housing repair loans, and for low-to-moderate income building loans. Direct loans for rural rental housing loans are authorized at \$3,000,000.

In addition, the Committee concurs with the budget request of \$334,000 for difference paid in 1969 between the rate on notes sold and the rate on loans made. Since this appropriation is for the prior year, the 1970 loan costs will be reimbursed in the 1972 appropriation.

Emergency Credit Revolving Fund.—An appropriation of \$31,918,000 was made in 1970 to reimburse the Commodity Credit Corporation for a \$30 million loan plus interest made to this fund. Since this loan has been repaid, no appropriation is included for this item.

The latest information available to the Committee indicates that emergency loans from this fund totaling \$94 million are estimated for fiscal year 1970 and \$67 million in loans are anticipated for 1971. The entire operation in 1971 will be financed from receipts and no appropriation is required.

Rural water and waste disposal grants.—This program authorizes grants for the development of water and sewer systems in rural areas. The amount of the grant may not exceed 50 percent of the total cost of the project. Plans, financed by FHA grants, have been completed for rural areas in more than 1900 counties.

The Congress authorized \$46,000,000 for grants in 1970 of which \$18 million was held in reserve until April 18. This resulted in delaying about 200 grants for essential facilities. This program is so vital to rural development and to the prevention of pollution that the Committee recommends \$56,000,000, an increase of \$10,000,000 over 1970 and an increase of \$32,000,000 over the budget estimate. This will provide for 315 planning grants and 745 development grants.

Rural housing for domestic farm labor.—This program provides grants for low-rent housing and related facilities for domestic farm labor. The Committee recommends the full budget estimate of \$2,500,000, the same as last year. With the estimated carryover funds, the 1971 program will provide for an estimated 16 grants totalling \$3,761,450.

Mutual and self-help housing.—This program authorizes grants for technical assistance and supervision to groups of families to build their own homes by exchanging labor. An appropriation of \$2,125,000 is recommended by the Committee. This continues the same level of funding as in 1970 and is an increase of \$875,000 over the budget. This will help about 2400 low-income families to build their own homes.

Self-Help Land Development Fund.—A total appropriation of \$1,000,000 is recommended for 1971, an increase of \$400,000 over the budget estimate. This is the same level of funding as appropriated for fiscal year 1970. The funds available, including \$400,000 currently held in reserve, will enable about 50 loans for the purpose of acquisition and development of building sites in rural areas.

Salaries and expenses.—The Farmers Home Administration has its roots in the history of our growth and understanding of the problems of rural America. Beginning as the Resettlement Administration in the mid-thirties, it became the Farm Security Administration in 1937.

In 1946, with the addition of insured farm ownership and soil and water and farm operating loans to the direct loan programs, the title was changed to the Farmers Home Administration. In 1949 direct rural housing building loans, repair and improvement grants, emergency loans were added. The 1950's and 1960's saw the continued expansion of these programs to include the soil conservation loans and a broad range of rural housing authorities which include direct and insured loans for rental housing for the elderly, resource conservation and development loans, and the mutual and self-help housing and land development funds. These latter programs were approved in 1968. This Committee not only has provided the funds to assure the continued expansion of these programs, but has also contributed to the broadening of the scope of the programs to cover "rural" areas as well as those residing on farms.

The salaries and expenses appropriation provides for the expenses necessary to administer these programs. They fund technical services and loan servicing. These services include supervision of finances and home visitation. The agency must always deal with credit needs not normally accepted by other lenders. The services provided by the agency often are the difference between the success or failure of the loan or grant.

Since 1960, program levels have increased 624 percent. Loans outstanding have increased 472 percent from the same year. Collections have risen 248 percent. So, in addition to types of loans, the volume of loans has also dramatically increased.

A second measure of personnel needs is the trend in delinquency rates. This percentage has been moving up over the past few years. This can be interpreted to have a relationship to the overall economy but must also have a relationship to the staff available to service outstanding loans and investigate new loans.

PERCENT OF DELINQUENCY

	1964	1965	1966	1967	1968	1969
Operating loans (delinquent).....	30	35	34	34	36	37
Delinquent over 1 year.....	16	16	18	19	20	21
Farm ownership loans (delinquent)....	8	10	10	10	11	12
Housing loans (delinquent).....	2	2	2	2	2	3
Association loans (delinquent).....	4	3	3	4	5	6

For 1971, the Committee recommends an increase in administrative funds sufficient to meet this growing need. The bill includes an increase of \$9,590,000 in direct appropriations, exclusive of pay adjustments, which will enable the agency to increase employment by 900 manyears, thus continuing a prudent expansion of this agency. The total recommended appropriation of \$84,900,000, including transfers from loan accounts of \$3,750,000, is a net reduction of \$2,941,000 below the budget. The committee has also provided funds for the administration of the newly authorized loan programs to Indian Tribes (Public Law 91-229).

TITLE III—CORPORATIONS (INCLUDING P.L. 480 AND OTHER FOREIGN ASSISTANCE PROGRAMS)

FEDERAL CROP INSURANCE CORPORATION

The Federal Crop Insurance Corporation is a wholly owned Government corporation created February 16, 1938, to carry out the Federal Crop Insurance Act. Its purpose is to promote the national welfare by improving the economic stability of agriculture through a sound system of crop insurance, and providing the means for research and experience helpful in devising and establishing such insurance.

Crop insurance offered to agricultural producers by the Corporation provides protection from losses caused by unavoidable natural hazards, such as insect and wildlife damage, plant diseases, fire, drought, flood, wind, and other weather conditions. It does not indemnify producers for losses resulting from negligence or failure to observe good farming practices.

The Committee recommends a direct appropriation of \$12,000,000 as proposed in the budget estimate for administrative expenses of the Corporation, and the payment of \$2,335,000 of these expenses from premium income. This is the same total amount as is available for 1970 revised for pay costs and represents an adjustment of \$4,000 from premium income to direct appropriation.

The Committee takes note of the budget statement to the effect that all expenses of the Corporation should eventually be paid from premium income. A majority of the Committee is of the opinion that such a policy should not be adopted until basic actuarial problems are solved and the Corporation can provide the level of service needed without danger of bankruptcy.

COMMODITY CREDIT CORPORATION

The Corporation was organized October 17, 1933, under the laws of the State of Delaware, as an agency of the United States, and was managed and operated in close affiliation with the Reconstruction Finance Corporation. On July 1, 1939, it was transferred to the Department of Agriculture by the President's Reorganization Plan I. On July 1, 1948, it was established as an agency and instrumentality of the United States under a permanent Federal charter by Public Law 80-806, as amended. Its operations are conducted pursuant to this charter and other specific legislation.

The Commodity Credit Corporation engages in buying, selling, lending, and other activities with respect to agricultural commodities, their products, food, feeds, and fibers. Its purposes include stabilizing, supporting, and protecting farm income and prices; assisting in the maintenance of balance and adequate supplies of such commodities; and facilitating their orderly distribution. The Corporation also makes available materials and facilities required in connection with the production and marketing of such commodities.

The Corporation is managed by a board of directors appointed by the President and confirmed by the Senate, subject to the general supervision and direction of the Secretary of Agriculture, who is, ex officio, a director and chairman of the board. In addition, it has a bipartisan advisory board of five members appointed by the President to survey the general policies of the Corporation and advise the Secretary with respect thereto.

Personnel and facilities of the Agricultural Stabilization and Conservation Service, ASC State and county committees, and other USDA agencies are used to carry out Corporation activities.

The Corporation has an authorized capital stock of \$100 million held by the United States and authority to borrow up to \$14.5 billion. Funds are borrowed from the Federal Treasury and may also be borrowed from private lending agencies. In connection with loan guarantees, the Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all notes and other obligations evidencing loans made by lending agencies or certificates of interest issued in connection with the financing of price-support operations. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury as required by the act of March 8, 1939 (15 U.S.C. 713a-4).

Reimbursement of net realized losses.—The Committee has included \$3,113,155,000 in the bill to partially restore capital impairment for fiscal year 1969 and the balance of capital impairment for 1968. The amount recommended is \$2,102,779,000 below the 1970 appropriation and \$250,000,000 below the budget estimate. Under current program projections, such funding will provide for fully adequate and sufficient operating margins.

If necessary to perform the functions, duties, obligations or commitments of the Commodity Credit Corporation, administrative personnel and others serving the Corporation shall be paid from funds on hand or from those funds received from the redemption or sale of commodities. Such funds shall also be available to meet program payments, commodity loans, or other obligations of the Corporation.

FOREIGN ASSISTANCE PROGRAMS

A number of statutes provide for the facilities of the Commodity Credit Corporation to be used in carrying out programs for the exportation of surplus agricultural commodities and authorize appropriations to reimburse the Corporation for costs incurred in connection with such programs. The specific administrative functions are assigned to the Export Marketing Service established by the Secretary on March 28, 1969.

Prior to fiscal year 1962, the Corporation was reimbursed for the costs of these activities by appropriations subsequent to incurrence of the costs. Beginning in the fiscal year 1962, the Congress added funds to place these activities on a pay-as-you-go basis, appropriating for estimated costs in fiscal year 1962. Subsequent bills have included funds for each ensuing fiscal year on the same advance funding basis as for other programs of the Department.

The following activities are currently being carried out under the Agricultural Trade Development and Assistance Act of 1954, Public Law 480, 83d Congress, as amended by the Food for Peace Act:

Sale of agricultural commodities for foreign currencies (title I) (7 U.S.C. 1701-1709).—Under this title, the United States accepts foreign currency in payment for sales of available U.S. farm products. These currencies may then be used for such purposes as agricultural market development, military equipment, facilities and services for the common defense, payment of U.S. obligations abroad, and military

housing, among other specified purposes. If regular appropriations of any Federal agency are available for any purpose for which foreign currencies are used, the agency must buy the currencies with dollars. These dollars are credited to the Commodity Credit Corporation and reduce Public Law 480 appropriations.

Sale of agricultural commodities for dollars on credit terms (title I) (7 U.S.C. 1701-1709).—This title provides for sales of U.S. farm products under long-term credit arrangements. The major objective is to stimulate and increase sales for dollars through credit. The purpose is to expand international trade; to develop and expand export markets; and to encourage economic development in the developing countries. Agreements may be entered into for the delivery of available U.S. farm products for periods of up to 10 years. Agreements are with the governments of friendly nations, including financial institutions acting on behalf of such nations. Agreements may also be made with U.S. and foreign private traders. Repayments are made in U.S. dollars, with interest. Repayments may be for periods of up to 20 years. Interest is charged from the date of last delivery in each calendar year. Minimum rates of interest are set by law.

Commodities disposed of and other costs incurred in connection with donations abroad (title II) (7 U.S.C. 1721-1724).—Under this title, donations of available agricultural commodities (not limited to stocks held by Commodity Credit Corporation) are made to assist friendly nations and friendly peoples, and to promote economic and community development in underdeveloped countries. Up to \$7.5 million each year may be spent to buy foreign currencies accruing under title I. These funds are to meet special costs (other than personnel and administrative) of cooperating groups. The Corporation pays ocean freight on shipments under this title.

The Commodity Credit Corporation also conducts a special export program for *bartered materials for supplemental stockpile*.

Public Law 480.—This program is authorized only through December, 1970. Because of this, the Committee recommends an appropriation of \$702,500,000, a reduction of \$230,000,000 below the budget and a decrease of \$217,500,000 below 1970. The amounts provided are sufficient to meet the authorized program level.

The amounts provided in the appropriations are not fully controlling since basic law permits the Government to enter into agreements involving expenditures which must be financed from subsequent appropriations. On the other hand, if funds appropriated are in excess of amounts actually used in a particular year, such amounts are applied against current year's costs and reduce the subsequent appropriations required.

Bartered materials for supplemental stockpile.—The Committee recommends an appropriation of \$25,000, the budget estimate. This is a reduction of \$1,225,000 below the 1970 budget and represents liquidation of existing commitments. No new contracts will be made.

TITLE IV.—RELATED AGENCIES

FARM CREDIT ADMINISTRATION

Limitation on administrative expenses.—The Administration supervises, examines, and provides facilities and services to a coordinated system of farm credit banks and associations making loans to farmers and their cooperatives. Services and facilities furnished by the Administration facilitate the operations of the several agencies and their progress toward farmer ownership. Typical services are: custody of collateral for bonds and debentures, assistance in financing and investments, credit analysis, development of land appraisal standards and policies, preparation of reports and budgets, and preparation and distribution of information on farm credit. All expenses of these activities are paid by assessments collected from the banks and associations of the farm credit system.

Since December 4, 1953, the Administration has been an independent agency under the direction of a Federal Farm Credit Board (12 U.S.C. 636). The Administration, originally created by Executive Order No. 6084 on May 27, 1933, was transferred to the Department of Agriculture on July 1, 1939, by Reorganization Plan No. 1.

The amount recommended by the Committee is \$4,054,000, the same as available in 1970, revised for pay costs, and a reduction of \$172,000 below the budget.

TITLE V—GENERAL PROVISIONS

Sections 501 through 507 of the general provisions contained in the accompanying bill for fiscal year 1971 are essentially the same as those included in previous appropriation bills.

Section 501 authorizes the purchase of 662 passenger motor vehicles in fiscal year 1971. This will permit the replacement of 456 vehicles which have reached the Federal replacement standard of 6 years or 60,000 miles. It also authorizes the purchase of 206 passenger vehicles to replace an equal number of sedan delivery trucks in the Agricultural Research Service and the Soil Conservation Service, with an annual saving estimated at about \$20,000 per annum.

A new Section 508 has been added to the bill clarifying its relationship to general farm legislation which must pass in this legislative session.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions not heretofore carried in any appropriation act are included in the bill:

On page 3, in connection with Agricultural Research Service: *, except that \$1,000,000 of the foregoing amount shall be available for matching with funds utilized for research under Public Law 89-502, and*

On page 9, in connection with Conservation Operations: *, with which shall be merged the unexpended balance of funds appropriated for the previous fiscal year under this head:*

On page 17, in connection with Consumer Protective, Marketing, and Regulatory Programs:
, of which \$1,000,000 shall be placed in reserve to be released only when required to carry out the Wholesome Meat Act:

On page 19, in connection with Special Milk Program:
: Provided, That this appropriation shall be available only within the limits of amounts authorized by law for fiscal year 1971.

On page 20, in connection with Food Stamp Program:
: Provided, That this appropriation shall be available only within the limits of amounts authorized by law for fiscal year 1971.

On page 31, in connection with Loan Authorization, Rural Electrification Administration:
: Provided, That an additional \$20,000,000 is placed in contingency reserve to be made available by the Bureau of the Budget on the same terms and conditions to the extent that such amounts is required during the current fiscal year under the then-existing conditions for expeditious and orderly development of the rural electrification and rural telephone programs.

On page 34, in connection with Salaries and Expenses, Farmers Home Administration:
, of which not more than \$250,000 shall be available for the administration of Public Law 91-229:

On page 39, in connection with General Provisions:
Sec. 508. No part of the funds appropriated in this Act shall be used to change any price support program payment or payments, or commodity loan or loans in any manner, the effect of which is to modify substantive law.

COMPLIANCE WITH CLAUSE 3, RULE XIII

The following is submitted in compliance with Clause 3, of Rule XIII:

EXISTING LAW

Public Law 40, 84th Congress, making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1956, and for other purposes, under the heading "Flood Prevention":

FLOOD PREVENTION

For expenses necessary, in accordance with the Flood Control Act, approved June 22, 1936

PENDING BILL

On pages 9 and 10 in connection with Conservation Operations:

: Provided, That Public Law 40, Eighty-fourth Congress, making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1956, and for other purposes, is hereby amended by striking out the period following the last proviso in the section entitled "Flood Preven-

EXISTING LAW—continued

(Public Law 738), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to perform works of improvement, including not to exceed \$100,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U.S.C., 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates for individuals not to exceed \$100 per diem, to remain available until expended, \$10,000,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: *Provided*, That no part of such funds shall be used for the purchase of lands in the Yazoo and Little Tallahatchie watersheds without specific approval of the county board of supervisors of the county in which such lands are situated: *Provided further*, That hereafter the funds appropriated for flood prevention purposes may be expended in watersheds heretofore authorized by section 13 of the Flood Control Act of December 22, 1944, as amended, for necessary measures for the prevention of erosion, floodwater, and sediment damages, including gully control, floodwater detention, and floodway structures, in areas other than those over which the Department of the Army has jurisdiction and responsibility.

PENDING BILL—continued

tion", substituting a comma and adding the following: "and where the Army does have jurisdiction and responsibility, may enter into agreements with the Army to carry out jointly the measures heretofore set out and in areas where the Secretary is authorized to purchase land rights for structural measures, the Secretary in lieu of such acquisition, may reimburse local organizations for such proportionate share of the cost of land rights furnished by local organizations as the Secretary deems equitable in consideration of the national interest."

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1970 AND THE BUDGET ESTIMATES FOR 1971

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—FEDERAL FUNDS

[Becomes available automatically under earlier, or "permanent", law without further, or annual, action by the Congress. Thus, these amounts are not included in the accompanying bill]

Agency and item (1)	New budget (obligational) authority, 1970 (2)	Budget estimate of new (obligational) authority, 1971 (3)	Increase (+) or decrease (-) (4)
Permanent appropriations:			
Agricultural Research Service: Animal quarantine station-----	\$426, 600	-----	-\$426, 600
Consumer and Marketing Service:			
Removal of surplus agricultural commodities (sec. 32)-----	¹ 690, 826, 200	¹ \$720, 256, 000	+29, 429, 800
Perishable Agricultural Commodities Act fund-----	980, 000	1, 050, 000	+70, 000
Total, Consumer and Marketing Service-----	691, 806, 200	721, 306, 000	+29, 499, 800
Agricultural Stabilization and Conservation Service: National Wool Act-----	67, 892, 514	58, 100, 000	-9, 792, 514
Farmers Home Administration: Sales insufficiencies-----	496, 000	-----	-496, 000
Total, permanent appropriations-----	760, 621, 314	779, 406, 000	+18, 784, 686
Contract authority: Commodity Credit Corporation: price support and related programs-----	-----	440, 756, 000	+440, 756, 000
Total, permanent new budget (obligational) authority, Federal funds-----	760, 621, 314	1, 220, 162, 000	+459, 540, 686

¹ Includes transfers to other appropriation items as shown in later tables.

Note.—Amounts are as estimated and shown in the February, 1970 budget document. Being indefinite, the amounts are thus subject to later reestimation.

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—TRUST FUNDS

[Becomes available automatically under earlier, or "permanent," law without further, or annual, action by the Congress. Thus, these amounts are not included in the accompanying bill]

Agency and item (1)	New budget (obligational) authority, 1970 (2)	Budget estimate of new (obligational) authority, 1971 (3)	Increase (+) or decrease (—) (4)
Agricultural Research Service: Miscellaneous trust funds-----	\$1, 072, 000	\$1, 059, 000	—\$13, 000
Farmer Cooperative Service: Miscellaneous contributed funds-----	48, 000	87, 000	+ 39, 000
Soil Conservation Service: Miscellaneous contributed funds-----	1, 800, 000	2, 682, 000	+ 882, 000
Economic Research Service: Miscellaneous contributed funds-----	22, 000	22, 000	-----
Statistical Reporting Service: Miscellaneous contributed funds-----	12, 000	15, 000	+ 3, 000
Consumer and Marketing Service: Fees for inspection and grading-----	35, 786, 000	38, 071, 000	+ 2, 285, 000
Other agencies: Miscellaneous contributed funds-----	5, 000	5, 000	-----
Cooperative work (trust fund)-----	44, 750, 000	44, 750, 000	-----
Total permanent new budget (obligational) authority, trust funds--	83, 495, 000	86, 691, 000	+ 3, 196, 000

Note.—Amounts are as estimated and shown in the February, 1970 budget document. Being indefinite, the amounts are thus subject to later reestimation.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1970 AND BUDGET ESTIMATES
AND AMOUNTS RECOMMENDED IN THE BILL FOR 1971**

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority enacted to date, fiscal year 1970 (2)	Budget estimates of new (obligational) authority, fiscal year 1971 (3)	New budget (obligational) authority recom- mended in bill (4)	Bill compared with—		
				New budget (obligational) authority, fiscal year 1970 (5)	Budget estimates of new (obligational) authority, fiscal year 1971 (6)	
TITLE I—GENERAL ACTIVITIES						
Agricultural Research Service:						
Salaries and expenses:						
Research:						
Direct appropriation-----	\$131, 802, 200	\$141, 437, 200	\$146, 143, 200	+	\$14, 341, 000	
Transfer from sec. 32-----	(15, 000, 000)	(15, 000, 000)	(15, 000, 000)			
Total, research-----	(146, 802, 200)	(156, 437, 200)	(161, 143, 200)	(	+ 14, 341, 000)
Plant and animal disease and pest control-----	90, 809, 750	98, 763, 750	98, 619, 750	+	7, 810, 000	
Special fund (reappropriation)---	2, 000, 000	(2, 000, 000)	(2, 000, 000)	—	2, 000, 000	
Total, salaries and expenses-----	224, 611, 950	240, 200, 950	244, 762, 950	+	20, 151, 000	
Salaries and expenses (special foreign currency program)-----	5, 000, 000	5, 000, 000	5, 000, 000			
Total, Agricultural Research Service---	229, 611, 950	245, 200, 950	249, 762, 950	+	20, 151, 000	
					+	4, 562, 000

Cooperative State Research Service: Payments and expenses-----	62, 510, 000	72, 535, 000	65, 076, 000	+ 2, 566, 000	- 7, 459, 000
Extension Service:					
Payments to States and Puerto Rico--	114, 006, 000	150, 431, 000	140, 031, 000	+ 26, 025, 000	- 10, 400, 000
Retirement and employees' compensation costs for extension agents-----	10, 240, 000	13, 515, 000	13, 515, 000	+ 3, 275, 000	-----
Penalty mail-----	3, 400, 000	3, 617, 000	3, 617, 000	+ 217, 000	-----
Federal Extension Service-----	3, 838, 000	4, 228, 000	4, 188, 000	+ 350, 000	- 40, 000
Total, Extension Service-----	131, 484, 000	171, 791, 000	161, 351, 000	+ 29, 867, 000	- 10, 440, 000
Farmer Cooperative Service: Salaries and expenses-----	1, 500, 000	1, 689, 000	1, 649, 000	+ 149, 000	- 40, 000
Soil Conservation Service:					
Conservation operations-----	118, 786, 000	128, 467, 000	128, 557, 000	+ 9, 771, 000	+ 90, 000
River basin surveys and investigations--	8, 187, 000	9, 043, 000	9, 043, 000	+ 856, 000	-----
Watershed planning-----	6, 209, 000	5, 434, 000	6, 698, 000	+ 489, 000	+ 1, 264, 000
Watershed works of improvement-----	63, 873, 000	74, 278, 000	74, 278, 000	+ 10, 405, 000	-----
Flood prevention-----	23, 923, 000	21, 037, 000	21, 037, 000	- 2, 886, 000	-----
Great Plains conservation program----	15, 000, 000	15, 355, 000	15, 355, 000	+ 355, 000	-----
Resource conservation and development-----	10, 252, 000	13, 876, 000	13, 876, 000	+ 3, 624, 000	-----
Total, Soil Conservation Service--	246, 230, 000	267, 490, 000	268, 844, 000	+ 22, 614, 000	+ 1, 354, 000

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1970 AND BUDGET ESTIMATES
AND AMOUNTS RECOMMENDED IN THE BILL FOR 1971**

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority enacted to date, fiscal year 1970 (2)	Budget estimates of new (obligational) authority, fiscal year 1971 (3)	New budget (obligational) authority recom- mended in bill (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1970 (5)	Budget estimates of new (obligational) authority, fiscal year 1971 (6)
TITLE I—GENERAL ACTIVITIES— Continued					
Economic Research Service: Salaries and expenses-----	\$13,450,000	\$16,228,000	\$14,592,000	+\$1,142,000	—\$1,636,000
Statistical Reporting Service: Salaries and expenses-----	15,412,800	17,749,800	17,716,800	+2,304,000	—33,000
Consumer and Marketing Service:					
Consumer protective, marketing, and regulatory programs-----	133,595,500	149,247,000	149,247,000	+15,651,500	-----
Payments to States and possessions---	1,600,000	1,600,000	1,600,000	-----	-----
Total, Consumer and Marketing Service-----	135,195,500	150,847,000	150,847,000	+15,651,500	-----

Food and Nutrition Service:

Special milk program-----

Child Nutrition Programs:

Direct appropriation-----

Transfer from sec. 32-----

Total, child nutrition programs-

Food stamp program-----

Total, Food and Nutrition Service.

Foreign Agricultural Service:

Salaries and expenses-----

Transfer from sec. 32-----

Total, Foreign Agricultural Service----

Commodity Exchange Authority: Salaries
and expenses-----

Agricultural Stabilization and Conservation
Service:

Expenses, ASCS:

Direct appropriation-----

Transfer from CCC-----

Total, expenses, ASCS-----

84, 000, 000	-----	104, 000, 000	+20, 000, 000	+104, 000, 000
122, 500, 000	85, 395, 000	90, 395, 000	-32, 105, 000	+5, 000, 000
(194, 266, 000)	(238, 358, 000)	(238, 358, 000)	(+44, 092, 000)	-----
(316, 766, 000)	(323, 753, 000)	(328, 753, 000)	(+11, 987, 000)	(+5, 000, 000)
610, 000, 000	1, 250, 000, 000	1, 250, 000, 000	+640, 000, 000	-----
816, 500, 000	1, 335, 395, 000	1, 444, 395, 000	+627, 895, 000	+109, 000, 000
23, 437, 000	24, 773, 000	24, 023, 000	+586, 000	-750, 000
(3, 117, 000)	(3, 117, 000)	(3, 117, 000)	-----	-----
(26, 554, 000)	(27, 890, 000)	(27, 140, 000)	(+586, 000)	(-750, 000)
2, 321, 000	2, 552, 000	2, 552, 000	+231, 000	-----
146, 000, 000	135, 466, 000	152, 690, 000	+6, 690, 000	+17, 224, 000
(62, 483, 000)	(68, 779, 000)	(68, 779, 000)	(+6, 296, 000)	-----
(208, 483, 000)	(204, 245, 000)	(221, 469, 000)	(+12, 986, 000)	(+17, 224, 000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1970 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1971

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority enacted to date, fiscal year 1970 (2)	Budget estimates of new (obligational) authority, fiscal year 1971 (3)	New budget (obligational) authority recom- mended in bill (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1970 (5)	Budget estimates of new (obligational) authority, fiscal year 1971 (6)
TITLE I—GENERAL ACTIVITIES— Continued					
Agricultural Stabilization and Conservation Service—Continued					
Sugar Act program-----	\$93, 000, 000	\$83, 600, 000	\$83, 600, 000	—\$9, 400, 000	-----
Agricultural conservation program:					
Advance authorization (contract authorization)-----	195, 500, 000	-----	195, 500, 000	-----	+\$195, 500, 000
Liquidation of contract authoriza- tion-----	(195, 500, 000)	(185, 000, 000)	(185, 000, 000)	(—10, 500, 000)	-----
Cropland adjustment program-----	78, 600, 000	77, 800, 000	77, 800, 000	—800, 000	-----
Conservation reserve program-----	37, 250, 000	-----	-----	—37, 250, 000	-----
Emergency conservation measures-----	5, 000, 000	5, 000, 000	5, 000, 000	-----	-----
Indemnity payments to dairy farmers-----	200, 000	-----	-----	—200, 000	-----
Total, Agricultural Stabilization and Conservation Service-----	555, 550, 000	301, 866, 000	514, 590, 000	—40, 960, 000	+212, 724, 000

Rural Community Development Service: Salaries and expenses-----	450, 000	-----	230, 000	-- 220, 000	+ 230, 000
Office of the Inspector General: Salaries and expenses-----	13, 657, 000	15, 846, 000	15, 378, 000	+ 1, 721, 000	-- 468, 000
Packers and Stockyards Administration: Salaries and expenses-----	3, 354, 650	3, 748, 000	3, 508, 650	+ 154, 000	-- 239, 350
Office of the General Counsel: Salaries and expenses-----	5, 229, 500	5, 657, 000	5, 657, 000	+ 427, 500	-----
Office of Information: Salaries and ex- penses-----	2, 106, 000	2, 256, 000	2, 256, 000	+ 150, 000	-----
National Agricultural Library:					
Salaries and expenses-----	3, 226, 750	3, 914, 750	3, 614, 750	+ 388, 000	-- 300, 000
Library facilities-----	-----	800, 000	-----	-----	-- 800, 000
Total National Agricultural Library-----	3, 226, 750	4, 714, 750	3, 614, 750	+ 388, 000	-- 1, 100, 000
Office of Management Services: Salaries and expenses-----	3, 025, 000	3, 518, 000	3, 384, 000	+ 359, 000	-- 134, 000
General Administration: Salaries and ex- penses-----	4, 838, 000	6, 041, 000	5, 559, 000	+ 721, 000	-- 482, 000
Total, title I, general activities-----	2, 269, 089, 150	2, 649, 897, 500	2, 954, 986, 150	+ 685, 897, 000	+ 305, 088, 650

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1970 AND BUDGET ESTIMATES
AND AMOUNTS RECOMMENDED IN THE BILL FOR 1971**

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority enacted to date, fiscal year 1970 (2)	Budget estimates of new (obligational) authority, fiscal year 1971 (3)	New budget (obligational) authority recom- mended in bill (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1970 (5)	Budget estimates of new (obligational) authority, fiscal year 1971 (6)
TITLE II—CREDIT AGENCIES					
Rural Electrification Administration:					
Loan authorizations:					
Electrification-----	\$340, 000, 000	\$322, 000, 000	\$322, 000, 000	-\$18, 000, 000	-----
Telephone-----	123, 300, 000	123, 800, 000	123, 800, 000	+500, 000	-----
Contingency reserve-----	-----	-----	20, 000, 000	+20, 000, 000	+ \$20, 000, 000
Total, loans (authorization to spend debt receipts)-----	463, 300, 000	445, 800, 000	465, 800, 000	+2, 500, 000	+20, 000, 000
Salaries and expenses-----	13, 429, 000	14, 623, 000	14, 613, 000	+1, 184, 000	-10, 000
Total, Rural Electrification Admin- istration-----	476, 729, 000	460, 423, 000	480, 413, 000	+3, 684, 000	+19, 990, 000

Farmers Home Administration:

Direct loan account:					
Real estate loans-----	(83, 000, 000)	(45, 500, 000)	(83, 000, 000)	-----	(+37, 500, 000)
Operating loans-----	(275, 000, 000)	(275, 000, 000)	(275, 000, 000)	-----	-----
Soil conservation loans-----	(8, 700, 000)	(6, 400, 000)	(8, 700, 000)	-----	(+2, 300, 000)
Total, direct loan account-----	(366, 700, 000)	(326, 900, 000)	(366, 700, 000)	-----	(+39, 800, 000)
Rural housing:					
Insurance Fund-----	(30, 000, 000)	(19, 000, 000)	(30, 000, 000)	-----	(+11, 000, 000)
Direct appropriation-----	-----	334, 000	334, 000	+334, 000	-----
Emergency credit revolving fund-----	31, 918, 000	-----	-----	-31, 918, 000	-----
Rural water and waste disposal grants--	46, 000, 000	24, 000, 000	56, 000, 000	+10, 000, 000	+32, 000, 000
Rural housing for domestic farm labor--	2, 500, 000	2, 500, 000	2, 500, 000	-----	-----
Mutual and self-help housing-----	2, 125, 000	1, 250, 000	2, 125, 000	-----	+875, 000
Self-help housing land development fund-----	1, 000, 000	600, 000	1, 000, 000	-----	+400, 000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1970 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1971

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority enacted to date, fiscal year 1970 (2)	Budget estimates of new (obligational) authority, fiscal year 1971 (3)	New budget (obligational) authority recom- mended in bill (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1970 (5)	Budget estimates of new (obligational) authority, fiscal year 1971 (6)
Farmers Home Administration—Cont.					
Salaries and expenses:					
Direct appropriation-----	\$66, 250, 000	\$85, 091, 000	\$81, 150, 000	+\$14, 900, 000	—\$3, 941, 000
Transfer from agricultural credit insurance fund-----	(2, 250, 000)	(2, 250, 000)	(3, 250, 000)	(+1, 000, 000)	(+1, 000, 000)
Miscellaneous transfer-----	(500, 000)	(500, 000)	(500, 000)	-----	-----
Total, salaries and expenses----	(69, 000, 000)	(87, 841, 000)	(84, 900, 000)	(+15, 900, 000)	(-2, 941, 000)
Total, Farmers Home Admin- istration-----	149, 793, 000	113, 775, 000	143, 109, 000	-6, 684, 000	+29, 334, 000
Total, title II, credit agencies--	626, 522, 000	574, 198, 000	623, 522, 000	-3, 000, 000	+49, 324, 000
TITLE III—CORPORATIONS					
Federal Crop Insurance Corporation:					
Appropriation-----	12, 000, 000	12, 000, 000	12, 000, 000	-----	-----

Premium income-----	(1, 648, 000)	(2, 335, 000)	(2, 335, 000)	(+ 687, 000)	-----
Total, administrative and operating expenses-----	(13, 648, 000)	(14, 335, 000)	(14, 335, 000)	(+ 687, 000)	-----
Subscription to capital stock-----	10, 000, 000	-----	-----	- 10, 000, 000	-----
Commodity Credit Corporation: Reimbursement for net realized losses:					
Appropriation-----	4, 198, 237, 000	3, 363, 155, 000	3, 113, 155, 000	- 1, 085, 082, 000	- 250, 000, 000
Liquidation of contract authority-----	(1, 017, 697, 000)	-----	-----	(- 1, 017, 697, 000)	-----
Total appropriation-----	(5, 215, 934, 000)	(3, 363, 155, 000)	(1 3, 113, 155, 000)	(- 2, 102, 779, 000)	- 250, 000, 000
Limitation on administrative expenses-----	(32, 000, 000)	(36, 500, 000)	(36, 500, 000)	(+ 4, 500, 000)	-----
Public Law 480:					
Sales, title I-----	420, 000, 000	526, 100, 000	411, 100, 000	- 8, 900, 000	- 115, 000, 000
Donations, title II-----	500, 000, 000	406, 400, 000	291, 400, 000	- 208, 600, 000	- 115, 000, 000
Total, Public Law 480-----	920, 000, 000	932, 500, 000	702, 500, 000	- 217, 500, 000	- 230, 000, 000
Bartered materials for supplemental stockpile-----					
-----	1, 250, 000	25, 000	25, 000	- 1, 225, 000	-----
Total, new budget (obligational) authority, title III, corporations--	5, 141, 487, 000	4, 307, 680, 000	3, 827, 680, 000	- 1, 313, 807, 000	- 480, 000, 000

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1970 AND BUDGET ESTIMATES
AND AMOUNTS RECOMMENDED IN THE BILL FOR 1971**

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority enacted to date, fiscal year 1970 (2)	Budget estimates of new (obligational) authority, fiscal year 1971 (3)	New budget (obligational) authority recom- mended in bill (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1970 (5)	Budget estimates of new (obligational) authority, fiscal year 1971 (6)
TITLE IV—RELATED AGENCIES					
Farm Credit Administration: Limitation on administrative expenses-----	(\$3, 839, 000)	(\$4, 226, 000)	(\$4, 054, 000)	(+ \$215, 000)	(- \$172, 000)
RECAPITULATION					
Title I—General activities-----	2, 269, 089, 150	2, 649, 897, 500	2, 954, 986, 150	+ 685, 897, 000	+ 305, 088, 650
Title II—Credit agencies-----	626, 522, 000	574, 198, 000	623, 522, 000	- 3, 000, 000	+ 49, 324, 000
Title III—Corporations-----	5, 141, 487, 000	4, 307, 680, 000	3, 827, 680, 000	- 1, 313, 807, 000	- 480, 000, 000
Title IV—Related agencies-----	(3, 839, 000)	(4, 226, 000)	(4, 054, 000)	(+ 215, 000)	(- 172, 000)
Total, new budget (obligational) authority ² -----	8, 037, 098, 150	7, 531, 775, 500	7, 406, 188, 150	- 630, 910, 000	- 125, 587, 350

Consisting of:

1. Appropriations-----	7, 376, 298, 150	7, 085, 975, 500	6, 744, 888, 150	-631, 410, 000	-341, 087, 350
2. Reappropriations-----	2, 000, 000	-----	-----	-2, 000, 000	-----
3. Contract authorizations-----	195, 500, 000	-----	195, 500, 000	-----	+195, 500, 000
4. Authorizations to spend from debt receipts-----	463, 300, 000	445, 800, 000	465, 800, 000	+2, 500, 000	+20, 000, 000
Memoranda:					
1. Appropriations to liquidate contract authorizations---	1, 213, 197, 000	185, 000, 000	185, 000, 000	-1, 028, 197, 000	-----
2. Appropriations, including appropriations to liqui- date contract authority---	8, 589, 495, 150	7, 270, 975, 500	6, 929, 888, 150	-1, 659, 607, 000	-341, 087, 350
3. Transfers from sec. 32----	212, 383, 000	256, 475, 000	256, 475, 000	+44, 092, 000	-----
4. Transfer from CCC-----	62, 483, 000	68, 779, 000	68, 779, 000	+6, 296, 000	-----

¹ In addition, \$690,756,000 of permanent indefinite contract authority (budget authority established under basic law). For fiscal year 1970 none is required.

² Note.—Does not include loan repayments under the Rural Electrification Administration estimated at \$189,500,000 in 1970 and \$189,300,000 in 1971 that are covered into miscellaneous receipts of the Treasury.

Union Calendar No. 561

91ST CONGRESS
2D SESSION

H. R. 17923

[Report No. 91-1161]

IN THE HOUSE OF REPRESENTATIVES

JUNE 4, 1970

Mr. WHITTEN, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed.

A BILL

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the Depart-
5 ment of Agriculture and related agencies for the fiscal
6 year ending June 30, 1971, and for other purposes; namely:

1 DEPARTMENT OF AGRICULTURE

2 TITLE I—GENERAL ACTIVITIES

3 AGRICULTURAL RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For expenses necessary to perform agricultural research
6 relating to production, utilization, marketing, nutrition and
7 consumer use, to control and eradicate pests and plant and
8 animal diseases, and to perform related inspection, quaran-
9 tine and regulatory work: *Provided*, That appropriations
10 hereunder shall be available for field employment pursuant
11 to the second sentence of section 706 (a) of the Organic Act
12 of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall
13 be available for employment under 5 U.S.C. 3109: *Provided*
14 *further*, That appropriations hereunder shall be available for
15 the operation and maintenance of aircraft and the purchase
16 of not to exceed two for replacement only: *Provided further*,
17 That appropriations hereunder shall be available pursuant to
18 7 U.S.C. 2250, for the construction, alteration, and repair
19 of buildings and improvements, but unless otherwise pro-
20 vided, the cost of constructing any one building (except
21 headhouses connecting greenhouses) shall not exceed \$25,-
22 000, except for six buildings to be constructed or improved
23 at a cost not to exceed \$55,000 each, and the cost of altering
24 any one building during the fiscal year shall not exceed
25 \$7,500 or 7.5 per centum of the cost of the building, which-

ever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to a total of \$100,000 for facilities at Beltsville, Maryland: *Provided further*, That the limitations on construction contained in this Act shall not apply to a total of \$350,000 for construction of a post-mortem and incenerator facility for animal disease and parasite research:

Research: For research and demonstrations on the production and utilization of agricultural products; agricultural marketing and distribution, not otherwise provided for; home economics or nutrition and consumer use of agricultural and associated products; and related research and services; and for acquisition of land by donation, exchange, or purchase at a nominal cost not to exceed \$100; \$146,143,200, and in addition not to exceed \$15,000,000 from funds available under section 32 of the Act of August 24, 1935, pursuant to Public Law 88-250 shall be transferred to and merged with this appropriation, except that \$1,000,000 of the foregoing amount shall be available for matching with funds utilized for research under Public Law 89-502, and \$1,500,000 shall remain available until expended for plans, construction, and improvement of facilities without regard to limitations contained herein: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948

1 (21 U.S.C. 113a) : *Provided further*, That none of the funds
2 appropriated in this Act shall be used to formulate a budget
3 estimate for fiscal 1972 of more than \$15,000,000 for
4 research to be financed by transfer from funds available
5 under section 32 of the Act of August 24, 1935, and pur-
6 suant to Public Law 88-250;

7 Plant and animal disease and pest control: For opera-
8 tions and measures, not otherwise provided for, to control and
9 eradicate pests and plant and animal diseases and for carry-
10 ing out assigned inspection, quarantine, and regulatory ac-
11 tivities, as authorized by law, including expenses pursuant to
12 the Act of February 28, 1947, as amended (21 U.S.C.
13 114b-c), \$98,619,750, of which \$2,000,000 shall be appor-
14 tioned for use pursuant to section 3679 of the Revised
15 Statutes, as amended, for the control of outbreaks of insects,
16 plant diseases and animal diseases to the extent necessary
17 to meet emergency conditions: *Provided*, That no funds
18 shall be used to formulate or administer a brucellosis eradica-
19 tion program for the current fiscal year that does not require
20 minimum matching by any State of at least 40 per centum:
21 *Provided further*, That, in addition, in emergencies which
22 threaten the livestock or poultry industries of the country,
23 the Secretary may transfer from other appropriations or
24 funds available to the agencies or corporations of the Depart-
25 ment such sums as he may deem necessary, to be available

only in such emergencies for the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, and for expenses in accordance with the Act of February 28, 1947, as amended, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts;

Special fund: To provide for additional labor, subprofessional and junior scientific help to be employed under contracts and cooperative agreements to strengthen the work at research installations in the field, not more than \$2,000,000 of the amount appropriated under this head for the previous fiscal year may be used by the Administrator of the Agricultural Research Service in departmental research programs in the current fiscal year, the amount so used to be transferred to and merged with the appropriation otherwise available under "Salaries and expenses, Research".

**SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
PROGRAM)**

For payments, in foreign currencies owed to or owned by the United States for market development research authorized by section 104 (b) (1) and for agricultural and forestry research and other functions related thereto authorized by section 104 (b) (3) of the Agricultural Trade Development

1 and Assistance Act of 1954, as amended (7 U.S.C. 1704 (b)
 2 (1), (3)), \$5,000,000, to remain available until expended:
 3 *Provided*, That this appropriation shall be available, in addi-
 4 tion to other appropriations for these purposes, for payments
 5 in the foregoing currencies: *Provided further*, That funds ap-
 6 propriated herein shall be used for payments in such foreign
 7 currencies as the Department determines are needed and
 8 can be used most effectively to carry out the purposes of this
 9 paragraph: *Provided further*, That not to exceed \$25,000
 10 of this appropriation shall be available for payments in for-
 11 eign currencies for expenses of employment pursuant to the
 12 second sentence of section 706 (a) of the Organic Act of
 13 1944 (7 U.S.C. 2225), as amended by 5 U.S.C. 3109.

14 COOPERATIVE STATE RESEARCH SERVICE

15 PAYMENTS AND EXPENSES

16 For payments to agricultural experiment stations, for
 17 grants for cooperative forestry and other research, for facili-
 18 ties, and for other expenses, including \$58,390,000 to carry
 19 into effect the provisions of the Hatch Act, approved March
 20 2, 1887, as amended by the Act approved August 11, 1955
 21 (7 U.S.C. 361a-361i), including administration by the
 22 United States Department of Agriculture; \$4,012,000 for
 23 grants for cooperative forestry research under the Act ap-
 24 proved October 10, 1962 (16 U.S.C. 582a-582a-7), \$2,-
 25 000,000, in addition to funds otherwise available for con-

1 tracts and grants for scientific research under the Act of Au-
2 gust 4, 1965 (7 U.S.C. 450i), of which \$1,000,000 shall be
3 for the special cotton research program and \$400,000 for
4 soybean research; \$160,000 for penalty mail costs of agri-
5 cultural experiment stations under section 6 of the Hatch Act
6 of 1887, as amended; and \$514,000 for necessary expenses
7 of the Cooperative State Research Service, including ad-
8 ministration of payments to State agricultural experiment
9 stations, funds for employment pursuant to the second sen-
10 tence of section 706 (a) of the Organic Act of 1944 (7
11 U.S.C. 2225), and not to exceed \$50,000 for employment
12 under 5 U.S.C. 3109; in all, \$65,076,000.

13 EXTENSION SERVICE

14 COOPERATIVE EXTENSION WORK, PAYMENTS AND 15 EXPENSES

16 Payments to States and Puerto Rico: For payments
17 for cooperative agricultural extension work under the Smith-
18 Lever Act, as amended by the Act of June 26, 1953, the
19 Act of August 11, 1955, and the Act of October 5, 1962
20 (7 U.S.C. 341-349), to be distributed under sections 3 (b)
21 and 3 (c) of the Act, \$89,321,000; payments for the nutri-
22 tion education program for low-income areas under section
23 3 (d) of the Act, \$48,560,000; payments and contracts for
24 such work under section 204 (b)-205 of the Agricultural
25 Marketing Act of 1946 (7 U.S.C. 1623-1624), \$1,450,000;

1 and payments for extension work under section 109 of the
2 District of Columbia Public Education Act, as amended by
3 the Act of June 20, 1968 (7 U.S.C. 329), \$700,000; in
4 all, \$140,031,000: *Provided*, That funds hereby appropri-
5 ated pursuant to section 3 (c) of the Act of June 26, 1953,
6 shall not be paid to any State or Puerto Rico prior to avail-
7 ability of an equal sum from non-Federal sources for expendi-
8 ture during the current fiscal year.

9 Retirement and employees' compensation costs for ex-
10 tension agents: For cost of employer's share of Federal
11 retirement and for reimbursement for benefits paid from the
12 Employees' Compensation Fund for cooperative extension
13 employees, \$13,515,000.

14 Penalty mail: For costs of penalty mail for cooperative
15 extension agents and State extension directors, \$3,617,000.

16 Federal Extension Service: For administration of the
17 Smith-Lever Act, as amended by the Act of June 26, 1953,
18 the Act of August 11, 1955, and the Act of October 5,
19 1962 (7 U.S.C. 341-349), and extension aspects of the
20 Agricultural Marketing Act of 1946 (7 U.S.C. 1621-
21 1627), and of the District of Columbia Public Education
22 Act, as amended by the Act of June 20, 1968 (7 U.S.C.
23 329), and to coordinate and provide program leadership
24 for the extension work of the Department and the several
25 States and insular possessions, \$4,188,000.

FARMER COOPERATIVE SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the Act of July 2, 1926 (7 U.S.C. 451-457), and for conducting research relating to the economic and marketing aspects of farmer co-operatives, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), \$1,649,000.

SOIL CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; purchase and erection or alteration of permanent buildings; and operation and maintenance of aircraft, \$128,557,000, with which shall be merged the unexpended balance of funds appropriated for the previous fiscal year under this head: *Provided*, That Public Law 40, Eighty-fourth Congress, making appropriations for the

1 Department of Agriculture and Farm Credit Administration
2 for the fiscal year ending June 30, 1956, and for other
3 purposes, is hereby amended by striking out the period
4 following the last proviso in the section entitled "Flood
5 Prevention", substituting a comma and adding the follow-
6 ing: "and where the Army does have jurisdiction and
7 responsibility, may enter into agreements with the Army
8 to carry out jointly the measures heretofore set out and
9 in areas where the Secretary is authorized to purchase land
10 rights for structural measures, the Secretary in lieu of such
11 acquisition, may reimburse local organizations for such pro-
12 portionate share of the cost of land rights furnished by local
13 organizations as the Secretary deems equitable in considera-
14 tion of the national interest.": *Provided further*, That the
15 cost of any permanent building purchased, erected, or as im-
16 proved, exclusive of the cost of constructing a water supply
17 or sanitary system and connecting the same to any such build-
18 ing and with the exception of buildings acquired in conjunc-
19 tion with land being purchased for other purposes, shall not
20 exceed \$2,500, except for one building to be constructed at a
21 cost not to exceed \$25,000 and eight buildings to be con-
22 structed or improved at a cost not to exceed \$15,000 per
23 building and except that alterations or improvements to other
24 existing permanent buildings costing \$2,500 or more may be
25 made in any fiscal year in an amount not to exceed \$500 per

1 building: *Provided further*, That no part of this appropria-
2 tion shall be available for the construction of any such build-
3 ing on land not owned by the Government: *Provided further*,
4 That no part of this appropriation may be expended for soil
5 and water conservation operations under the Act of April 27,
6 1935 (16 U.S.C. 590a-590f) in demonstration projects:
7 *Provided further*, That this appropriation shall be available
8 for field employment pursuant to the second sentence of sec-
9 tion 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225),
10 and not to exceed \$5,000 shall be available for employment
11 under 5 U.S.C. 3109: *Provided further*, That qualified local
12 engineers may be temporarily employed at per diem rates to
13 perform the technical planning work of the service.

14 RIVER BASIN SURVEYS AND INVESTIGATIONS

15 For necessary expenses to conduct research, investiga-
16 tions and surveys of the watersheds of rivers and other water-
17 ways, in accordance with section 6 of the Watershed Pro-
18 tection and Flood Prevention Act, approved August 4, 1954,
19 as amended (16 U.S.C. 1006), to remain available until
20 expended; \$9,043,000, with which shall be merged the
21 unexpended balances of funds heretofore appropriated to the
22 Department for river basin survey purposes: *Provided*, That
23 this appropriation shall be available for field employment
24 pursuant to the second sentence of section 706 (a) of the
25 Organic Act of 1944 (7 U.S.C. 2225), and not to exceed

1 \$60,000 shall be available for employment under 5 U.S.C.
2 3109.

3 WATERSHED PLANNING

4 For necessary expenses for small watershed investiga-
5 tions and planning, in accordance with the Watershed Pro-
6 tection and Flood Prevention Act, as amended (16 U.S.C.
7 1001-1008), to remain available until expended, \$6,698,-
8 000, with which shall be merged the unexpended balances
9 of funds heretofore appropriated under this head: *Provided*,
10 That this appropriation shall be available for field employ-
11 ment pursuant to the second sentence of section 706 (a) of
12 the Organic Act of 1944 (7 U.S.C. 2225), and not to
13 exceed \$50,000 shall be available for employment under
14 5 U.S.C. 3109.

15 WATERSHED WORKS OF IMPROVEMENT

16 For necessary expenses to carry out preventive meas-
17 ures, including, but not limited to research, engineering
18 operations, methods of cultivation, the growing of vegeta-
19 tion, and changes in use of land, in accordance with the
20 Watershed Protection and Flood Prevention Act, approved
21 August 4, 1954, as amended (16 U.S.C. 1001-1005, 1007-
22 1008), and the provisions of the Act of April 27, 1935 (16
23 U.S.C. 590 a-f), to remain available until expended;
24 \$74,278,000, with which shall be merged the unexpended
25 balances of funds heretofore appropriated or transferred to

1 the Department for watershed protection purposes: *Provided*,
 2 That this appropriation shall be available for field employ-
 3 ment pursuant to the second sentence of section 706 (a)
 4 of the Organic Act of 1944 (7 U.S.C. 2225), and not to
 5 exceed \$100,000 shall be available for employment under
 6 5 U.S.C. 3109: *Provided further*, That \$5,000,000 of the
 7 funds in the direct loan account of the Farmers Home
 8 Administration shall be available until expended for loans.

9 FLOOD PREVENTION

10 For necessary expenses, in accordance with the Flood
 11 Control Act, approved June 22, 1936 (33 U.S.C. 701-709,
 12 16 U.S.C. 1006a), as amended and supplemented, and in
 13 accordance with the provisions of laws relating to the activi-
 14 ties of the Department, to perform works of improvement,
 15 including funds for field employment pursuant to the second
 16 sentence of section 706 (a) of the Organic Act of 1944 (7
 17 U.S.C. 2225), and not to exceed \$100,000 for employment
 18 under 5 U.S.C. 3109, to remain available until expended;
 19 \$21,037,000, with which shall be merged the unexpended
 20 balances of funds heretofore appropriated or transferred to
 21 the Department for flood prevention purposes: *Provided*,
 22 That \$400,000 of funds in the direct loan account of the
 23 Farmers Home Administration shall be available until ex-
 24 pended for loans.

1 GREAT PLAINS CONSERVATION PROGRAM

2 For necessary expenses to carry into effect a program of
3 conservation in the Great Plains area, pursuant to section
4 16 (b) of the Soil Conservation and Domestic Allotment Act,
5 as added by the Act of August 7, 1956 (16 U.S.C. 590p),
6 \$15,355,000, to remain available until expended.

7 RESOURCE CONSERVATION AND DEVELOPMENT

8 For necessary expenses in planning and carrying out
9 projects for resource conservation and development, and for
10 sound land use, pursuant to the provisions of section 32 (e)
11 of title III of the Bankhead-Jones Farm Tenant Act, as
12 amended (7 U.S.C. 1011; 76 Stat. 607), and the provisions
13 of the Act of April 27, 1935 (16 U.S.C. 590a-f), \$13,876,-
14 000, to remain available until expended: *Provided*, That
15 \$3,300,000 of the funds available in the direct loan account
16 of the Farmers Home Administration shall be available for
17 loans under subtitle A of the Consolidated Farmers Home
18 Administration Act of 1961, as amended (7 U.S.C. 1922-
19 1929), and section 32 (e) of title III of the Bankhead-
20 Jones Farm Tenant Act, as amended (7 U.S.C. 1011 (e)),
21 to remain available until expended: *Provided further*, That
22 this appropriation shall be available for field employment
23 pursuant to the second sentence of section 706 (a) of the
24 Organic Act of 1944 (7 U.S.C. 2225), and not to exceed

1 \$50,000 shall be available for employment under 5 U.S.C.
2 3109.

3 ECONOMIC RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For necessary expenses of the Economic Research Serv-
6 ice in conducting economic research and service relating to
7 agricultural production, marketing, and distribution, as au-
8 thorized by the Agricultural Marketing Act of 1946 (7
9 U.S.C. 1621-1627), and other laws, including economics of
10 marketing; analyses relating to farm prices, income and popu-
11 lation, and demand for farm products, use of resources in agri-
12 culture, adjustments, costs and returns in farming, and farm
13 finance; and for analyses of supply and demand for farm
14 products in foreign countries and their effect on prospects
15 for United States exports, progress in economic development
16 and its relation to sales of farm products, assembly and analy-
17 sis of agricultural trade statistics and analysis of interna-
18 tional financial and monetary programs and policies as they
19 affect the competitive position of United States farm products;
20 \$14,592,000: *Provided*, That not less than \$350,000 of
21 the funds contained in this appropriation shall be avail-
22 able to continue to gather statistics and conduct a special
23 study on the price spread between the farmer and con-
24 sumer: *Provided further*, That this appropriation shall be

1 available for employment pursuant to the second sentence of
2 section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225),
3 and not to exceed \$75,000 shall be available for employment
4 under 5 U.S.C. 3109: *Provided further*, That not less than
5 \$145,000 of the funds contained in this appropriation shall be
6 available for analysis of statistics and related facts on foreign
7 production and full and complete information on methods
8 used by other countries to move farm commodities in world
9 trade on a competitive basis.

10 STATISTICAL REPORTING SERVICE

11 SALARIES AND EXPENSES

12 For necessary expenses of the Statistical Reporting Serv-
13 ice in conducting statistical reporting and service work, in-
14 cluding crop and livestock estimates, statistical coordination
15 and improvements, and marketing surveys, as authorized by
16 the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-
17 1627) and other laws, \$17,716,800: *Provided*, That no part
18 of the funds herein appropriated shall be available for any
19 expense incident to publishing estimates of apple production
20 for other than the commercial crop: *Provided further*, That
21 this appropriation shall be available for employment pursuant
22 to the second sentence of section 706 (a) of the Organic Act
23 of 1944 (7 U.S.C. 2225), and not to exceed \$40,000 shall
24 be available for employment under 5 U.S.C. 3109.

1 CONSUMER AND MARKETING SERVICE

2 CONSUMER PROTECTIVE, MARKETING, AND REGULATORY

3 PROGRAMS

4 For expenses necessary to carry on services related to
5 consumer protection, agricultural marketing and distribution,
6 and regulatory programs, other than Packers and Stockyards
7 Act, as authorized by law, and for administration and coordi-
8 nation of payments to States; including field employment
9 pursuant to section 706 (a) of the Organic Act of 1944 (7
10 U.S.C. 2225), and not to exceed \$75,000 for employment
11 under 5 U.S.C. 3109; \$149,247,000, of which \$1,000,000
12 shall be placed in reserve to be released only when required
13 to carry out the Wholesome Meat Act: *Provided*, That
14 this appropriation shall be available pursuant to law (7
15 U.S.C. 2250) for the alteration and repair of buildings and
16 improvements, but, unless otherwise provided, the cost of
17 altering any one building during the fiscal year shall not
18 exceed \$7,500 or 7.5 per centum of the cost of the building,
19 whichever is greater.

20 PAYMENTS TO STATES AND POSSESSIONS

21 For payments to departments of agriculture, bureaus and
22 departments of markets, and similar agencies for marketing
23 activities under section 204 (b) of the Agricultural Market-
24 ing Act of 1946 (7 U.S.C. 1623 (b)), \$1,600,000.

1 REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES

2 (SECTION 32)

3 Funds available under section 32 of the Act of August
4 24, 1935 (7 U.S.C. 612c) shall be used only for commodity
5 program expenses as authorized therein, and other related
6 operating expenses, except for (1) transfers to the Depart-
7 ment of the Interior as authorized by the Fish and Wildlife
8 Act of August 8, 1956; (2) transfers otherwise provided in
9 this Act; (3) not more than \$3,084,000 for formulation and
10 administration of marketing agreements and orders pur-
11 suant to the Agricultural Marketing Agreement Act of
12 1937, as amended, and the Agricultural Act of 1961;
13 and (4) in addition to other amounts provided in this Act,
14 not more than \$186,058,000 (including not to exceed \$2,-
15 000,000 for State administrative expenses) for (a) child
16 feeding programs and nutritional programs authorized by
17 law in the School Lunch Act and the Child Nutrition Act,
18 as amended; and (b) additional direct distribution or other
19 programs, without regard to whether such area is under the
20 food stamp program or a system of direct distribution, to
21 provide, in the immediate vicinity of their place of per-
22 manent residence, either directly or through a State or
23 local welfare agency, an adequate diet to other needy chil-
24 dren and low-income persons determined by the Secretary of
25 Agriculture to be suffering, through no fault of their own,

1 from general and continued hunger resulting from insufficient
2 food.

3 FOOD AND NUTRITION SERVICE

4 SPECIAL MILK PROGRAM

5 For necessary expenses to carry out the provisions of
6 the Special Milk Program, as authorized by section 3 of
7 the Child Nutrition Act of 1966 (42 U.S.C. 1772), \$104,-
8 000,000: *Provided*, That this appropriation shall be avail-
9 able only within the limits of amounts authorized by law
10 for fiscal year 1971.

11 CHILD NUTRITION PROGRAMS

12 For necessary expenses to carry out the provisions of
13 the National School Lunch Act, as amended (42 U.S.C.
14 1751-1761) and the applicable provisions other than sec-
15 tion 3 of the Child Nutrition Act of 1966, as amended (42
16 U.S.C. 1773-1785), \$264,428,000, of which \$174,033,000
17 shall be derived by transfer from funds available under
18 section 32 of the Act of August 24, 1935 (7 U.S.C. 612c):
19 *Provided*, That of the foregoing total amount there shall be
20 available \$48,347,000 for special assistance to needy schools,
21 \$12,000,000 for the school breakfast program, \$17,500,000
22 for the nonfood assistance program, \$750,000 for State
23 administrative expenses, and \$12,000,000 for special food
24 service programs for children to remain available until
25 September 30 of the next succeeding fiscal year: *Provided*

1 *further*, That no part of this appropriation shall be used for
2 nonfood assistance under section 5 of the National School
3 Lunch Act, as amended: *Provided further*, That an addi-
4 tional \$64,325,000 shall be transferred to this appropriation
5 from funds available under section 32 of the Act of Au-
6 gust 24, 1935 (7 U.S.C. 612c), for purchase and distribu-
7 tion of agricultural commodities and other foods pursuant
8 to section 6 of the National School Lunch Act, as amended:
9 *Provided further*, That this appropriation shall be available
10 for employment pursuant to the second sentence of section
11 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and
12 not to exceed \$75,000 shall be available for employment
13 under 5 U.S.C. 3109.

14 **FOOD STAMP PROGRAM**

15 For necessary expenses of the food stamp program
16 pursuant to the Food Stamp Act of 1964, as amended,
17 \$1,250,000,000: *Provided*, That this appropriation shall
18 be available only within the limits of amounts authorized
19 by law for fiscal year 1971.

20 **FOREIGN AGRICULTURAL SERVICE**

21 **SALARIES AND EXPENSES**

22 For necessary expenses for the Foreign Agricultural
23 Service, including carrying out title VI of the Agricultural

1 Act of 1954 (7 U.S.C. 1761-1768), market development
2 activities abroad, and for enabling the Secretary to coordinate
3 and integrate activities of the Department in connection with
4 foreign agricultural work, including not to exceed \$35,000
5 for representation allowances and for expenses pursuant to
6 section 8 of the Act approved August 3, 1956 (7 U.S.C.
7 1766), \$24,023,000: *Provided*, That not less than
8 \$255,000 of the funds contained in this appropriation
9 shall be available to obtain statistics and related facts on
10 foreign production and full and complete information on
11 methods used by other countries to move farm commodities
12 in world trade on a competitive basis: *Provided further*,
13 That, in addition, not to exceed \$3,117,000 of the funds
14 appropriated by section 32 of the Act of August 24, 1935,
15 as amended (7 U.S.C. 612c), shall be merged with this
16 appropriation and shall be available for all expenses of the
17 Foreign Agricultural Service.

18 COMMODITY EXCHANGE AUTHORITY

19 SALARIES AND EXPENSES

20 For necessary expenses to carry into effect the provisions
21 of the Commodity Exchange Act, as amended (7 U.S.C.
22 1-17b), \$2,552,000.

1 AGRICULTURAL STABILIZATION AND CONSERVATION
2 SERVICE

3 EXPENSES, AGRICULTURAL STABILIZATION AND
4 CONSERVATION SERVICE

5 For necessary administrative expenses of the Agricultural
6 Stabilization and Conservation Service, including expenses
7 to formulate and carry out programs authorized by title III
8 of the Agricultural Adjustment Act of 1938, as amended (7
9 U.S.C. 1301-1393) ; Sugar Act of 1948, as amended (7
10 U.S.C. 1101-1161) ; sections 7 to 15, 16 (a) , 16 (d) , 16 (e) ,
11 16 (f) , 16 (i) , and 17 of the Soil Conservation and Domestic
12 Allotment Act, as amended (16 U.S.C. 590g-590q) ; sub-
13 titles B and C of the Soil Bank Act (7 U.S.C. 1831-1837,
14 1802-1814, and 1816) ; and laws pertaining to the Com-
15 modity Credit Corporation, \$152,690,000: *Provided*, That,
16 in addition, not to exceed \$68,779,000 may be transferred
17 to and merged with this appropriation from the Commodity
18 Credit Corporation fund (including not to exceed \$30,228,-
19 000 under the limitation on Commodity Credit Corporation
20 administrative expenses) : *Provided further*, That other
21 funds made available to the Agricultural Stabilization and
22 Conservation Service for authorized activities may be ad-
23 vanced to and merged with this appropriation: *Provided*
24 *further*, That no part of the funds appropriated or made avail-
25 able under this Act shall be used (1) to influence the vote in

1 any referendum; (2) to influence agricultural legislation,
2 except as permitted in 18 U.S.C. 1913; or (3) for salaries
3 or other expenses of members of county and community
4 committees established pursuant to section 8 (b) of the Soil
5 Conservation and Domestic Allotment Act, as amended, for
6 engaging in any activities other than advisory and super-
7 visory duties and delegated program functions prescribed in
8 administrative regulations.

9 SUGAR ACT PROGRAM

10 For necessary expenses to carry into effect the pro-
11 visions of the Sugar Act of 1948 (7 U.S.C. 1011-1161),
12 \$83,600,000, to remain available until June 30 of the next
13 succeeding fiscal year.

14 AGRICULTURAL CONSERVATION PROGRAM

15 For necessary expenses to carry into effect the program
16 authorized in section 7 to 15, 16 (a) and 17 of the Soil Con-
17 servation and Domestic Allotment Act, approved February
18 29, 1936, as amended (16 U.S.C. 590g-590o, 590p (a),
19 and 590q), including not to exceed \$15,000 for the prepa-
20 ration and display of exhibits, including such displays at
21 State, interstate, and international fairs within the United
22 States, \$185,000,000, to remain available until December
23 31 of the next succeeding fiscal year for compliance with
24 the programs of soil-building and soil- and water-conserving
25 practices authorized under this head in the Department of

1 Agriculture and Related Agencies Appropriation Acts, 1969
2 and 1970, carried out during the period July 1, 1968, to
3 December 31, 1970, inclusive: *Provided*, That none of the
4 funds herein appropriated shall be used to pay the salaries
5 or expenses of any regional information employees or any
6 State information employees, but this shall not preclude the
7 answering of inquiries or supplying of information at the
8 county level to individual farmers: *Provided further*, That
9 no portion of the funds for the current year's program may be
10 utilized to provide financial or technical assistance for drain-
11 age on wetlands now designated as Wetland Types 3 (III),
12 4 (IV), and 5 (V) in United States Department of the In-
13 terior, Fish and Wildlife Circular 39, Wetlands of the United
14 States, 1956: *Provided further*, That necessary amounts
15 shall be available for administrative expenses in connection
16 with the formulation and administration of the 1971 pro-
17 gram of soil-building and soil- and water-conserving practices,
18 including related wildlife conserving practices and pollution
19 abatement practices, under the Act of February 29, 1936, as
20 amended (amounting to \$195,500,000, excluding adminis-
21 tration, except that no participant shall receive more than
22 \$2,500, except where the participants from two or more
23 farms or ranches join to carry out approved practices de-
24 signed to conserve or improve the agricultural resources of
25 the community): *Provided further*, That not to exceed 5

1 per centum of the allocation for the current year's agricultural
2 conservation program for any county may, on the recommen-
3 dation of such county committee and approval of the State
4 committee, be withheld and allotted to the Soil Conservation
5 Service for services of its technicians in formulating and
6 carrying out the agricultural conservation program in the par-
7 ticipating counties, and shall not be utilized by the Soil Con-
8 servation Service for any purpose other than technical and
9 other assistance in such counties, and in addition, on the rec-
10 ommendation of such county committee and approval of the
11 State committee, not to exceed 1 per centum may be made
12 available to any other Federal, State, or local public agency
13 for the same purpose and under the same conditions: *Pro-*
14 *vided further*, That for the current year's program, \$2,500,-
15 000 shall be available for technical assistance in formulating
16 and carrying out agricultural conservation practices: *Pro-*
17 *vided further*, That such amounts shall be available for the
18 purchase of seeds, fertilizers, lime, trees, or any other farming
19 material, or any soil-terracing services, and making grants
20 thereof to agricultural producers to aid them in carrying out
21 farming practices approved by the Secretary under programs
22 provided for herein: *Provided further*, That no part of any
23 funds available to the Department, or any bureau, office, cor-
24 poration, or other agency constituting a part of such Depart-

1 ment, shall be used in the current fiscal year for the payment
2 of salary or travel expenses of any person who has been con-
3 victed of violating the Act entitled "An Act to prevent
4 pernicious political activities", approved August 2, 1939, as
5 amended, or who has been found in accordance with the pro-
6 visions of title 18, United States Code, section 1913, to have
7 violated or attempted to violate such section which prohibits
8 the use of Federal appropriations for the payment of personal
9 services or other expenses designed to influence in any man-
10 ner a Member of Congress to favor or oppose any legislation
11 or appropriation by Congress except upon request of any
12 Member or through the proper official channels.

13 CROPLAND ADJUSTMENT PROGRAM

14 For necessary expenses to carry into effect a cropland
15 adjustment program as authorized by the Food and Agri-
16 culture Act of 1965 (7 U.S.C. 1838), \$77,800,000.

17 EMERGENCY CONSERVATION MEASURES

18 For emergency conservation measures, to be used for
19 the same purposes and subject to the same conditions as
20 funds appropriated under this head in the Third Supple-
21 mental Appropriation Act, 1957, to remain available until
22 expended, \$5,000,000, with which shall be merged the

1 unexpended balances of funds heretofore appropriated for
2 emergency conservation measures.

3 RURAL COMMUNITY DEVELOPMENT SERVICE

4 SALARIES AND EXPENSES

5 For necessary expenses, not otherwise provided for, of
6 the Rural Community Development Service in providing
7 leadership and related services in carrying out the rural areas
8 development activities of the Department, \$230,000: *Pro-*
9 *vided*, That not to exceed \$3,000 shall be available for em-
10 ployment under 5 U.S.C. 3109.

11 OFFICE OF THE INSPECTOR GENERAL

12 SALARIES AND EXPENSES

13 For necessary expenses of the Office of the Inspector
14 General, including employment pursuant to the second sen-
15 tence of section 706 (a) of the Organic Act of 1944 (7
16 U.S.C. 2225), and not to exceed \$10,000 for employment
17 under 5 U.S.C. 3109, \$15,378,000.

18 PACKERS AND STOCKYARDS ADMINISTRATION

19 SALARIES AND EXPENSES

20 For expenses necessary for administration of the Pack-
21 ers and Stockyards Act, as authorized by law, including field
22 employment pursuant to section 706 (a) of the Organic Act

1 of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 for
2 employment under 5 U.S.C. 3109, \$3,508,650.

3 OFFICE OF THE GENERAL COUNSEL

4 SALARIES AND EXPENSES

5 For necessary expenses, including payment of fees or
6 dues for the use of law libraries by attorneys in the field
7 service, \$5,657,000.

8 OFFICE OF INFORMATION

9 SALARIES AND EXPENSES

10 For necessary expenses of the Office of Information for
11 the dissemination of agricultural information and the co-
12 ordination of informational work and programs authorized
13 by Congress in the Department, \$2,256,000, of which
14 total appropriation not to exceed \$612,000 may be used
15 for farmers' bulletins, which shall be adapted to the in-
16 terests of the people of the different sections of the country,
17 an equal proportion of four-fifths of which shall be available
18 to be delivered to or sent out under the addressed franks
19 furnished by the Senators, Representatives, and Delegates
20 in Congress, as they shall direct (7 U.S.C. 417), and
21 not less than two hundred and thirty-two thousand two
22 hundred and fifty copies for the use of the Senate and House
23 of Representatives of part 2 of the annual report of the
24 Secretary (known as the Yearbook of Agriculture) as au-

1 thorized by section 73 of the Act of January 12, 1895 (44
2 U.S.C. 241) : *Provided*, That in the preparation of motion
3 pictures or exhibits by the Department, this appropriation
4 shall be available for employment pursuant to the second
5 sentence of section 706 (a) of the Organic Act of 1944 (7
6 U.S.C. 2225), and not to exceed \$10,000 shall be available
7 for employment under 5 U.S.C. 3109.

8 NATIONAL AGRICULTURAL LIBRARY

9 SALARIES AND EXPENSES

10 For necessary expenses of the National Agricultural
11 Library, \$3,614,750: *Provided*, That this appropriation shall
12 be available for employment pursuant to the second sentence
13 of section 706 (a) of the Organic Act of 1944 (7 U.S.C.
14 2225), and not to exceed \$35,000 shall be available for
15 employment under 5 U.S.C. 3109: *Provided further*, That
16 not to exceed \$100,000 shall be available pursuant to 7
17 U.S.C. 2250 for the alteration and repair of buildings and
18 improvements.

19 OFFICE OF MANAGEMENT SERVICES

20 SALARIES AND EXPENSES

21 For necessary expenses to enable the Office of Man-
22 agement Services to provide management support services
23 to selected agencies and offices of the Department of Agri-
24 culture, \$3,384,000.

1 GENERAL ADMINISTRATION

2 SALARIES AND EXPENSES

3 For necessary expenses of the Office of the Secretary
4 of Agriculture and for general administration of the Depart-
5 ment of Agriculture, repairs and alterations, and other miscel-
6 laneous supplies and expenses not otherwise provided for
7 and necessary for the practical and efficient work of the
8 Department of Agriculture, and not to exceed \$5,000 for
9 employment under 5 U.S.C. 3109, \$5,559,000: *Provided*,
10 That this appropriation shall be reimbursed from applicable
11 appropriations for travel expenses incident to the holding of
12 hearings as required by 5 U.S.C. 551-558: *Provided further*,
13 That not to exceed \$2,500 of this amount shall be available
14 for official reception and representation expenses, not other-
15 wise provided for, as determined by the Secretary: *Provided*
16 *further*, That not to exceed \$269,000 of funds contained
17 in the Working Capital Fund established under authority
18 of Public Law 78-129 may be used to carry out responsi-
19 bilities under the Civil Rights Act of 1964.

20 TITLE II—CREDIT AGENCIES

21 RURAL ELECTRIFICATION ADMINISTRATION

22 To carry into effect the provisions of the Rural Electrifi-
23 cation Act of 1936, as amended (7 U.S.C. 901-924), as
24 follows:

LOAN AUTHORIZATION

For loans in accordance with said Act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said Act, and to remain available without fiscal year limitation in accordance with section 3 (e) of said Act, as follows: rural electrification program, \$322,000,000, and rural telephone program, \$123,800,000: *Provided*, That an additional \$20,000,000 is placed in contingency reserve to be made available by the Bureau of the Budget on the same terms and conditions to the extent that such amount is required during the current fiscal year under the then-existing conditions for expeditious and orderly development of the rural electrification and rural telephone programs.

SALARIES AND EXPENSES

For administrative expenses, including not to exceed \$500 for financial and credit reports, funds for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$150,000 for employment under 5 U.S.C. 3109, \$14,613,000.

FARMERS HOME ADMINISTRATION

DIRECT LOAN ACCOUNT

Direct loans and advances under subtitles A and B, and advances under section 335 (a) for which funds are not otherwise available, of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1921), as amended, may be made from funds available in the Farmers Home Administration direct loan account as follows: real estate loans, \$83,000,000, and operating loans, \$275,000,000.

RURAL HOUSING INSURANCE FUND

For direct loans and related advances pursuant to section 517 (m) of the Housing Act of 1949, as amended, \$30,000,000 shall be available from funds in the rural housing insurance fund. Hereafter, farmer applicants for direct or insured rural housing loans shall be required to provide only such collateral security as is required of owners of nonfarm tracts.

For an additional amount for the rural housing insurance fund, as authorized by section 521 (c) of the Housing Act of 1949 (42 U.S.C. 1490a (c)), \$334,000.

RURAL WATER AND WASTE DISPOSAL GRANTS

For grants pursuant to sections 306 (a) (2) and 306 (a) (6) of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1926), \$56,000,000.

RURAL HOUSING FOR DOMESTIC FARM LABOR

For financial assistance to public nonprofit organizations for housing for domestic farm labor, pursuant to section 516 of the Housing Act of 1949, as amended (42 U.S.C. 1486), \$2,500,000, to remain available until expended.

MUTUAL AND SELF-HELP HOUSING

For grants pursuant to section 523 (b) (1) (A) of the Housing Act of 1949 (42 U.S.C. 1490c), \$2,125,000, to remain available until expended.

SELF-HELP HOUSING LAND DEVELOPMENT FUND

For direct loans pursuant to section 523 (b) (1) (B) of the Housing Act of 1949 (42 U.S.C. 1490c) and related advances, \$1,000,000, to remain available until expended.

SALARIES AND EXPENSES

For necessary expenses of the Farmers Home Administration, not otherwise provided for, in administering the programs authorized by the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1921–1991), as amended, title V of the Housing Act of 1949, as amended (42 U.S.C. 1471–1490c, 83 Stat. 399), the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440–444), and for carrying out the responsibilities of the Secretary of Agriculture under sections 235 and 236 of the National Housing Act, as amended (12 U.S.C. 1715z–1715z–1), and section 701 of the Housing

1 Act of 1954, as amended (40 U.S.C. 461), \$81,150,000,
2 together with not more than \$3,250,000 of the charges col-
3 lected in connection with the insurance of loans as au-
4 thorized by section 309 (e) of the Consolidated Farmers
5 Home Administration Act of 1961, as amended, and
6 sections 514 (b) (3) and 517 (i) of the Housing Act
7 of 1949, as amended, of which not more than \$250,000
8 shall be available for the administration of Public Law
9 91-229: *Provided*, That, in addition, not to exceed \$500,000
10 of the funds available for the various programs administered
11 by this agency may be transferred to this appropriation for
12 temporary field employment pursuant to the second sen-
13 tence of section 706 (a) of the Organic Act of 1944 (7
14 U.S.C. 2225) to meet unusual or heavy workload increases:
15 *Provided further*, That no part of any funds in this para-
16 graph may be used to administer a program which makes
17 rural housing grants pursuant to section 504 of the Housing
18 Act of 1949, as amended.

19 TITLE III—CORPORATIONS

20 The following corporations and agencies are hereby
21 authorized to make such expenditures, within the limits of
22 funds and borrowing authority available to each such corpora-
23 tion or agency and in accord with law, and to make such
24 contracts and commitments without regard to fiscal year
25 limitations as provided by section 104 of the Government

1 Corporation Control Act, as amended, as may be necessary
2 in carrying out the programs set forth in the budget for the
3 current fiscal year for such corporation or agency, except
4 as hereinafter provided:

5 FEDERAL CROP INSURANCE CORPORATION

6 ADMINISTRATIVE AND OPERATING EXPENSES

7 For administrative and operating expenses, \$12,000,000.

8 FEDERAL CROP INSURANCE CORPORATION FUND

9 Not to exceed \$2,335,000 of administrative and operat-
10 ing expenses may be paid from premium income.

11 COMMODITY CREDIT CORPORATION

12 REIMBURSEMENT FOR NET REALIZED LOSSES

13 To reimburse the Commodity Credit Corporation for net
14 realized losses sustained in prior years but not previously
15 reimbursed, pursuant to the Act of August 17, 1961 (15
16 U.S.C. 713a-11, 713a-12), in the following amounts:
17 fiscal year 1968, \$249,998,669; fiscal year 1969, \$2,863,-
18 156,331; in total, \$3,113,155,000: *Provided*, That no funds
19 appropriated by this Act shall be used to formulate or ad-
20 minister programs for the sale of agricultural commodities
21 pursuant to title I of Public Law 480, 83d Congress, as
22 amended to any nation which sells or furnishes or which per-
23 mits ships or aircraft under its registry to transport to North
24 Vietnam any equipment, materials or commodities, so long
25 as North Vietnam is governed by a Communist regime.

1 LIMITATION ON ADMINISTRATIVE EXPENSES

2 Not to exceed \$36,500,000 shall be available for admin-
3 istrative expenses of the Commodity Credit Corporation:
4 *Provided*, That \$945,000 of this authorization shall be avail-
5 able only to expand and strengthen the sales program
6 of the Corporation pursuant to authority contained in the
7 Corporation's charter: *Provided further*, That not less than
8 7 per centum of this authorization shall be placed in reserve
9 to be apportioned pursuant to section 3679 of the Revised
10 Statutes, as amended, for use only in such amounts and at
11 such times as may become necessary to carry out program
12 operations: *Provided further*, That all necessary expenses
13 (including legal and special services performed on a con-
14 tract or fee basis, but not including other personal services)
15 in connection with the acquisition, operation, maintenance,
16 improvement, or disposition of any real or personal property
17 belonging to the Corporation or in which it has an interest,
18 including expenses of collections of pledged collateral, shall
19 be considered as nonadministrative expenses for the purposes
20 hereof.

21 PUBLIC LAW 480

22 For expenses during the current fiscal year, not other-
23 wise recoverable, and unrecovered prior years' costs,
24 including interest thereon, under the Agricultural Trade
25 Development and Assistance Act of 1954, as amended (7

1 U.S.C. 1701-1710, 1721-1725, 1731-1736d), to remain
2 available until expended, as follows: (1) sale of agricultural
3 commodities for foreign currencies and for dollars on credit
4 terms pursuant to title I of said Act, \$411,100,000; and
5 (2) commodities supplied in connection with dispositions
6 abroad, pursuant to title II of said Act, \$291,400,000.

7 BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

8 For unrecovered prior years' costs related to strategic
9 and other materials acquired as a result of barter or exchange
10 of agricultural commodities or products and transferred to the
11 supplemental stockpile pursuant to the Act of May 28, 1956,
12 as amended (7 U.S.C. 1856), \$25,000, to remain available
13 until expended.

14 TITLE IV—RELATED AGENCIES

15 FARM CREDIT ADMINISTRATION

16 LIMITATION ON ADMINISTRATIVE EXPENSES

17 Not to exceed \$4,054,000 (from assessments collected
18 from farm credit agencies) shall be obligated during the cur-
19 rent fiscal year for administrative expenses, including the
20 hire of one passenger motor vehicle.

21 TITLE V—GENERAL PROVISIONS

22 SEC. 501. Within the unit limit of cost fixed by law,
23 appropriations and authorizations made for the Department
24 under this Act shall be available for the purchase, in addition
25 to those specifically provided for, of not to exceed six hun-

1 dred and sixty-two (662) passenger motor vehicles, of
2 which four hundred and fifty-six (456) shall be for replace-
3 ment only, and for the hire of such vehicles.

4 SEC. 502. Provisions of law prohibiting or restricting
5 the employment of aliens shall not apply to employment
6 under the appropriation for the Foreign Agricultural Service.

7 SEC. 503. Funds available to the Department of Agricul-
8 ture shall be available for uniforms or allowances therefor
9 as authorized by law (5 U.S.C. 5901-5902).

10 SEC. 504. No part of the funds appropriated by this Act
11 shall be used for the payment of any officer or employee of
12 the Department who, as such officer or employee, or on
13 behalf of the Department or any division, commission, or
14 bureau thereof, issues, or causes to be issued, any prediction,
15 oral or written, or forecast, except as to damage threatened
16 or caused by insects and pests, with respect to future prices
17 of cotton or the trend of same.

18 SEC. 505. Except to provide materials required in or
19 incident to research or experimental work where no suitable
20 domestic product is available, no part of the funds appro-
21 priated by this Act shall be expended in the purchase of
22 twine manufactured from commodities or materials produced
23 outside of the United States.

24 SEC. 506. Not less than \$1,500,000 of the appropriations
25 of the Department for research and service work authorized

1 by the Acts of August 14, 1946, July 28, 1954, and Sep-
2 tember 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C.
3 1891-1893), shall be available for contracting in accordance
4 with said Acts.

5 SEC. 507. No part of any appropriation contained in this
6 Act shall remain available for obligation beyond the current
7 fiscal year unless expressly so provided herein.

8 SEC. 508. No part of the funds appropriated in this Act
9 shall be used to change any price support program payment
10 or payments, or commodity loan or loans in any manner, the
11 effect of which is to modify substantive law.

12 This Act may be cited as the "Department of Agricul-
13 ture and Related Agencies Appropriation Act, 1971".

91ST CONGRESS
2^D SESSION

H. R. 17923

[Report No. 91-1161]

A BILL

Making appropriations for the Department of
Agriculture and related agencies for the fis-
cal year ending June 30, 1971, and for other
purposes.

By Mr. WHITTEN

JUNE 4, 1970

Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of June 9, 1970
91st-2nd, No. 94

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HIGHLIGHTS: House passed agricultural appropriation bill; rejected Findley farm subsidy limitation amendment.

House subcommittee approved bill to increase limitations on certain loans.

Rep. Ichord introduced and discussed bill to aid rural development in counties located in national forests. Sen. Dole inserted Campbell's environmental challenge speech.

HOUSE

1. APPROPRIATIONS. Passed with amendments H. R. 17923, the agricultural appropriations bill for FY 71. pp. H5259-93

Agreed to: Smith, Iowa, amendment adding \$44 million in funds available for the rural water and sewer program; pp. H5291-3

Conte amendment striking out a provision clarifying the bill's relationship to other pending general farm legislation awaiting action this session. p. H5293

Rejected: Obey amendment seeking to add \$1.5 million for research in nonchemical means of controlling pests; pp. H5286-8

Hathaway amendment seeking to add \$100,000 for the soil and water research facility at Orono, Maine; pp. H5288-9

Findley amendment limiting farm subsidy payments. pp. H5289-91

Rep. Kleppe commended the Appropriations Committee for its early report of the agricultural appropriations bill. p. H5332

The Rules Committee granted a rule waiving points of order against H. R. 17970, the military construction appropriations bill. p. H5338

2. SOLID WASTE; LOANS. The Rules Committee granted a rule providing for consideration of H. R. 11833, providing financial assistance for the construction of solid waste disposal facilities. p. H5338
3. ENVIRONMENT. The Rules Committee granted a rule providing for consideration of H. R. 17255, amending the Clean Air Act to provide for a more effective program to improve the quality of the Nation's air. p. H5338
Rep. Leggett inserted an article illustrating the results of failure to recognize the possibility of rendering the environment incapable of supporting human life. p. H5336
4. LOANS. An Agriculture Committee subcommittee approved for full committee action H. R. 11547, amended, to amend the Consolidated Farmers Home Administration Act of 1961, as amended, to increase the limitation on certain loans. p. D599
5. ECONOMY. Rep. Monagan urged that "firm steps be taken to bring the economy under control". pp. H5295-6
Rep. Gonzalez discussed the need to give the President standby powers to impose controls on wages and prices. pp. H5324-6
Rep. Patman stated we must have a rollback of high interest rates and cited the example of Penn Central's recent inability to sell debentures. He also inserted a recent Lou Harris poll. pp. H5329-31
6. SOCIAL SECURITY; VETERANS. Rep. Podell discussed a recent bill designed to correct inequities when veterans begin to draw social security benefits. pp. H5328-9

SENATE

7. APPROPRIATIONS. Committee on Appropriations reported with amendments, H. R. 17399, second supplemental appropriations for fiscal year 1970 (S. Rept. No. 91-917). An additional \$172,000 for FS to repair the Sumit Lake Dam in the Monongahela National Forest was recommended (table attached to Digest) p. S8561
8. IRRIGATION; CONSERVATION. Committee on Interior and Insular Affairs reported without amendment H. R. 9854, the East Greenacres, Rathdrum Prairie Project (S. Rept. No. 91-920). p. S8575
9. ELECTRIFICATION. Received letters from the Acting Administrator, REA, relating to loans to Central Iowa Power Corp., and the Corn Belt Power Cooperative, with accompanying reports. p. S8574

available under this legislation will alleviate the financial pressure upon the applicant sufficiently to enable the completion and operation of the facility.

The conferees found, after investigation, that it was necessary to provide restrictions upon eligibility for this retroactive feature in view of the fact that, without such restrictions, potentially over 1,000 facilities could have qualified, thereby potentially using up all the funds that otherwise would be available for construction or modernization of new facilities. The interest subsidy authorized in the case of guaranteed loans for private nonprofit facilities is the same 3 percent provided in the House bill, modified slightly to conform to traditional financing arrangements.

This same title also authorizes the making of loans to public agencies for construction or modernization of health facilities, with \$30 million in initial capital provided for the making of such loans. This amount is contained in the budget already requested for fiscal year 1971 by the Department. The Secretary of Health, Education, and Welfare would be required to make such loans to public agencies at a rate of interest comparable to the current rate of interest prevailing with respect to loans to nonprofit private agencies which are guaranteed in the same or similar areas minus 3 percent. The Secretary is required to give due regard to achieving an equitable geographical distribution of loans made under this provision.

After making a loan, the Secretary would be required to sell the loan either on the private market or to the Federal National Mortgage Association, at an amount approximately equal to the unpaid principal of the loan as of the time of sale. After the loan is sold, interest paid by the borrower would not be tax exempt, so that it may be necessary for the Secretary, in order to recover the face value of the loan, to pay an interest subsidy to the purchaser. The amount of the interest subsidy will depend upon the terms and conditions of the sale, which, in turn, will depend upon the prevailing rate of interest payable on obligations guaranteed as to principal and interest by the United States at the time of sale.

To the extent authorized in appropriation acts, the Secretary may then take the proceeds from the sale of these loans and relend them to public agencies, selling these loans, again subject to a guarantee and interest subsidy, with the proceeds again being similarly available for relending.

The amount available for loans for construction or modernization of publicly owned facilities will depend, of course, upon the length of time it takes the Secretary to complete loans, and sell them on the private market, so that it is impossible to tell in advance the maximum amount of loans which may be made under this provision; however, the overall \$500 million per year limitations on loans made or guaranteed under this provision will continue to apply. Of course, when a direct loan is made to a public agency within a State, the amount of that loan will be charged against the State's overall allotment for loans (guaranteed or direct) under this program during the fiscal year involved.

EVALUATION OF HEALTH PROGRAMS

The Senate amendment authorizes the Secretary to utilize not more than 1 percent of any appropriation under the Public Health Service and other Acts for evaluation of programs. In addition, the Senate amendment consolidates into one section a number of evaluation authorities contained in other programs. The House recedes.

MARIHUANA STUDY

The Senate amendment provides that the Secretary of Health, Education, and Welfare shall report to the Congress on or before January 31, 1971, and annually thereafter on

(1) current information on the health consequences of using marihuana, and (2) such recommendations for legislative and administrative action as he may deem appropriate. A preliminary report is also called for within 90 days after date of enactment of this amendment. The House recedes.

AVAILABILITY OF APPROPRIATIONS

The Senate amendment would have provided that funds appropriated for any fiscal year to carry out any program under the Public Health Service Act, the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, certain acts relating to Indian health programs, the Vocational Rehabilitation Act, the Clean Air Act, the Solid Waste Disposal Act, and Title V of the Social Security Act would remain available for obligation and expenditure until the end of the fiscal year for which appropriated.

The conference substitute is the same as the Senate amendment, except that it is limited to funds appropriated for fiscal years ending before July 1, 1973, and applies only to funds appropriated to carry out programs under the Public Health Service Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963. The purpose of this amendment is to prevent administratively imposed freezes, reductions, and rollbacks from applying to health programs authorized under these Acts. Where a program authorizes availability of appropriations for more than one fiscal year, and funds are appropriated to cover more than one fiscal year, the conferees intend that the amendment shall apply to the entire period covered by the appropriations.

The managers on the part of the House also receded on the amendment of the Senate to the title of the bill.

HARLEY D. STAGGERS,
JOHN JARMAN,
PAUL G. ROGERS,
W. L. SPRINGER,
ANCHER NELSEN,

Managers on the Part of the House.

CONTROL OF POLLUTION

(Mr. PIRNIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PIRNIE. Mr. Speaker, in our troubled and disturbed times it is very heartening when the youth of our land express deep interest in the solutions of our more pressing problems. Such an expression came to my attention last week. The social studies class of Kemble School in my hometown of Utica, N.Y., had been studying the threat of pollution. One of the members of the class, Anthony Pugliese, undertaking to alert people to this danger, prepared and circulated a petition addressed to the Congressman asking his support of legislation to control this blight. Through his determined efforts he secured seven hundred and four signatures and his teacher, Mr. Joseph Bottini, was so impressed that he felt a personal presentation was deserved. With this I agreed, so I visited the school and, at an assembly before several hundred grade students, the petition was delivered to me by Anthony.

After I had expressed my pleasure over his activity and pledged my sympathetic response, I took part in a question-answer forum for an hour. The spontaneity and perspective of their questioning was thrilling, embracing a concern and knowledge worthy of ma-

ture people. I congratulated Anthony on his initiative. His was a fine job and I am pleased to call it to the attention of my colleagues.

I was able to tell the students that Congress is moving steadily and objectively toward the control of pollution. I pointed out that arbitrary actions against offending manufacturing plants could disturb our economy and result in unacceptable job losses. Therefore, we will be reasonable in our approach to industry but will firmly insist that pollution of the air and water be curbed. The sustained support of good citizens should keep this goal in sight until adequate protection is realized.

SIoux CITY RIVERCADE

(Mr. MAYNE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAYNE. Mr. Speaker, last July I stood in this well and invited my colleagues to come to Sioux City to help us celebrate the famous Sioux City Rivercade, an annual affair during which the Greater Siouxland territory pays tribute to that mighty river, the Missouri, which courses through our heartland. Founded in 1964, the Rivercade has grown steadily each year and now attracts thousands of visitors from throughout the Midwest. This year's 5-day program includes carnivals, riverboat rides, an air show, parades both land and waterborne, teenage activities, boat and water ski shows, Boy Scout jamborees, helicopter rides, wildlife exhibits, sky divers, professional boat races, clowns, and queens. Fishing contests will be held each day. The committee in charge of arrangements will enthusiastically welcome any Member of this body who can arrange his schedule to be with us in Sioux City at any time during this memorable event.

So, on behalf of Commodore Robert Sabel and his staff of hard workers, I renew my invitation to my colleagues and to all who devour the daily prose in the CONGRESSIONAL RECORD to come to Sioux City on July 29 for the first of 5 days of the greatest Sioux City Rivercade ever.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1971

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 17923) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 3 hours, the time to be equally divided and controlled by the gentleman from Minnesota (Mr. LANGEN) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 17923, with Mr. WRIGHT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from Mississippi (Mr. WHITTEN) will be recognized for 1½ hours, and the gentleman from Minnesota (Mr. LANGEN) will be recognized for 1½ hours.

The Chair recognizes the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I yield myself 15 minutes.

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Chairman, from the beginning man's progress, man's supply of the good things in life, has been measured by how many things he has left after providing for food, clothing, and shelter. Judged by that standard, we certainly have had the finest standard of living man has ever had.

Mr. Chairman, I am going to make the point of order that a quorum is not present. This is the most important matter that will come before this House this year.

The CHAIRMAN. The gentleman from Mississippi makes the point of order that a quorum is not present. Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 159]

Abernethy	Ford,	Ottinger
Anderson,	William D.	Passman
Tenn.	Fraser	Pepper
Ashbrook	Frelinghuysen	Pettis
Aspinall	Fulton, Tenn.	Poff
Ayres	Gallagher	Pollock
Baring	Garmatz	Powell
Beall, Md.	Gaydos	Preyer, N.C.
Blatnik	Gettys	Price, Ill.
Boggs	Gibbons	Pucinski
Brademas	Gilbert	Reid, N.Y.
Bray	Gray	Reuss
Brown, Calif.	Hanna	Rivers
Camp	Hansen, Wash.	Roberts
Carey	Hébert	Rooney, N.Y.
Clark	Hungate	Rooney, Pa.
Clay	Jarman	Roudebush
Conable	Kirwan	Scheuer
Conyers	Kleppe	Schwengel
Corman	Kuykendall	Scott
Coughlin	McCarthy	Sisk
Cowger	McKneally	Smith, Calif.
Culver	McMillan	Springer
Daddario	May	Stafford
Dawson	Meskill	Stuckey
Diggs	Minshall	Thompson, N.J.
Dorn	Mizell	Whitehurst
Downing	Montgomery	Wilson, Bob
Dulski	Moorhead	Wilson,
Edwards, Ala.	Morton	Charles H.
Edwards, Calif.	Moss	Wold
Feighan	Murphy, N.Y.	Wydler
Fisher	Nichols	
Flowers	O'Hara	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WRIGHT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Commit-

tee, having had under consideration the bill H.R. 17923, and finding itself without a quorum, he had directed the roll to be called, when 332 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the Committee rose, the gentleman from Mississippi had been recognized for 15 minutes.

Mr. WHITTEN. Mr. Chairman, as we come to this appropriation I hope we may have the attention of the Members of the House. Actually, when we get to this subject, we find that fewer and fewer have a back-home realization that it is still the key part of their existence.

It has been said, as I pointed out earlier, that man's well-being and his standard of living are tied to how much of his time he has to use to provide for the necessities of life; food, clothing, and shelter. Judged by that standard, no nation has ever reached the peak this Nation has reached, because only a little over 5 percent of the people are engaged in agriculture. What does that mean? It means on the average only 5 percent of man's time as a group is taken up with the basic things, leaving 95 percent of his time for the other things that go toward our standard of living.

But this has with it problems. This is the reason why I want the attention of the membership.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I am happy to yield to the distinguished gentlewoman from Missouri (Mrs. SULLIVAN).

(Mrs. SULLIVAN asked and was given permission to revise and extend her remarks.)

Mrs. SULLIVAN. Mr. Chairman, I just want to make the comment at this point that anyone who criticizes the gentleman from Mississippi (Mr. WHITTEN), or his subcommittee, for their attitudes on providing food assistance for the needy are criticizing the wrong people. From the time the food stamp program was initiated by President John F. Kennedy in early 1961 until the present, I think there was only one occasion when the Whitten subcommittee declined to recommend the full budget amount for the program—and then, if memory serves me right, Mr. WHITTEN himself recognized the insufficiency and recommended a supplemental appropriation to meet the deficiency.

So, Mr. Chairman, I want to express my appreciation to the chairman of the subcommittee and to his colleagues on Appropriations for recommending a doubling of the food stamp program during the coming fiscal year from \$610,000,000 to \$1,250,000,000, just as the 1970 fiscal year appropriation represented a doubling of the amount available in 1969. The added funds will enable the Department to install food stamp programs in many additional areas and, equally important, increase substantially the benefits derived by those who participate in the program.

As I have said on numerous occasions, the food stamp program is not a solution for all of our social ills but it can do

one thing well—and that is assure adequate diets for those families which cannot afford to buy enough of the right foods. It has faults—it has had many faults—but none of them that sufficient appropriations cannot solve, provided there is a willingness by local welfare officials to make the program work effectively, and a willingness here in Washington to insist upon fair treatment for all participants and upon vigorous prosecution of the relatively few merchants or customers who might violate the law in the handling or use of the stamps.

I thank the gentleman from Mississippi for yielding, but more importantly, I thank him for his consistent support of increased appropriations for this program.

Mr. WHITTEN. I thank the distinguished gentlewoman from Missouri who was so instrumental in the beginning of this program and in its continuation.

Now, Mr. Chairman, let me get to a point which I wish to call to the attention of the Members of the Committee of the Whole House on the State of the Union.

We live in a country—and let me repeat again—where only about 5 percent of our people are engaged in agriculture, leaving the other 95 percent to engage in the performance of other things. We are dealing with a subject upon which our very health depends and that is the supply of food and clothing, as well as the biggest and the best market that industry and labor has. We are dealing here today with a department that has to do with nutrition, a subject to which it now seems that everyone has become awakened to its need and to see that it is taken care of.

Mr. Chairman, we are dealing with the one Department that has been spending through the years millions and millions of dollars annually promoting the protection of our environment in which some 1.1 million participants joined in by putting up about two-thirds of the cost. We are dealing here with the very staff of life. However, we are dealing with it at a time when it is threatened and if it is threatened, it threatens you.

Since we have gotten the news media and since we have become urbanized, few people realize that life itself is tied to the land. Farmers are quitting. A check of the record shows that today 17 percent of those engaged in agriculture are 65 years of age or older, 22 percent are 55 to 64 years of age. And, listen to this now. I am talking about the keystone to the economy of this country as well as your own well-being.

Since 1940 the amount of money that it takes for a man to farm has increased from approximately \$6,500 in 1940 to \$85,000 in 1969—and remember weather in any one year may reduce a crop by more than 25 percent or more.

Now, I do not remember this—but I am old enough to remember the effects of the last depression, and I know also as a student of history what happened. Do you realize that every depression we have had has started with the breakdown of farm income of those engaged in agriculture? And, contrary to the belief of a whole lot of my urban friends and some

of my rural friends who I do not believe have studied this, may I say to you that conditions do not look good today.

There are folks who honestly believe that a pickup of a few points in the stock market is an increase in wealth,

when they should know that the stock market and all the rest is tied to the wealth of our country, which in turn comes from the land.

This bill carries the following amounts:

	Budget request	Recommended in bill	Change
Title I—General activities	\$2,649,897,500	\$2,954,986,150	+\$305,088,650
Title II—Credit agencies	574,198,000	623,522,000	+49,324,000
Title III—Corporations (including Public Law 480) and other assistance programs	4,307,680,000	3,827,680,000	-480,000,000
Title IV—Related agencies	(4,226,000)	(4,054,000)	(-172,000)
Total	7,531,775,500	7,406,188,150	-125,587,350

THE IMPACT OF AGRICULTURE

For several years many on the committee have considered changing the title of this bill. The current title, Department of Agriculture and related agencies appropriation bill, has never adequately conveyed the full range of effects on all the American people.

Some, but not enough, people know that the few on the farm free the rest of us to provide the machines and gadgets of modern day living. Many people do not stop to realize that those who have left the farm have been replaced by machines and expensive materials; and that the man on the farm has to have suffi-

cient income to buy the machines, equipment, chemicals, and other materials; otherwise many people now in our cities, who make the machines, would have to go back to the farm as we saw in the depression of the late 1920's and 1930's.

The Department of Agriculture, identified with 5.1 percent of our people on the farm, in reality represent the 94.9 percent of the nonfarmers more closely than does any other department, for it represents the source of food, clothing, and shelter for all Americans, and further, represents the largest individual market for labor and industry.

PUBLIC HEALTH AND SAFETY

We might term this "an appropriation for protection of the public health," for it carries funds for inspection of the meats and vegetables which go on our tables. Funds are included in this bill to provide for inspection of 100 percent of the red meat marketed in the United States for the first time in our history. This same goal will soon be reached for poultry.

The bill strengthens and improves the programs for the control of pests and pestilence, which has contributed so much to the improvements in our food supply. Conversely, the bill includes major increases for the development and control of more efficient pesticides. This includes additional staff for recently completed major pesticide laboratories at Gainesville, Fla.; College Station, Tex.; Stoneville, Miss.; Durant, Okla.; and Savannah, Ga. The bill includes \$5.3 million for the enforcement of pesticide regulations including the teams ready to move to determine the facts when unfortunate pesticide accidents do occur.

The total recommended for pesticides research and regulation in 1971 has nearly doubled since 1963 as shown on the following table:

ESTIMATED OBLIGATIONS FOR PESTICIDES RESEARCH AND REGULATION OF THE U.S. DEPARTMENT OF AGRICULTURE, 1963-71¹

[In thousands of dollars]

Item	1963	1964	1965	1966	1967	1968	1969	1970	1971
Agricultural Research Service:									
Salaries and expenses:									
Research	19,198	23,942	38,812	40,206	41,640	41,865	43,716	45,549	47,109
Plant and animal disease and pest control	28,289	28,646	33,769	35,994	40,621	40,833	41,710	45,297	46,098
Total, salaries and expenses	47,487	52,588	72,581	76,200	82,261	82,698	84,886	90,846	93,207
Cooperative State Research Service: Payments and expenses	4,621	4,768	11,010	9,330	9,409	8,977	9,417	9,420	9,975
Extension Service:									
Payments and expenses:									
Payments to States and Puerto Rico	1,805	1,900	3,985	3,990	4,142	4,180	4,180	4,370	4,750
Federal Extension Service	95	100	205	210	218	220	220	230	250
Total, Extension Service	1,900	2,000	4,100	4,200	4,360	4,400	4,400	4,600	5,000
Economic Research Service			500	500	500	512	528	460	460
Forest Service: Forest protection and utilization	1,800	2,000	3,400	3,500	3,700	3,900	4,100	4,100	4,100
Total, pesticides research and regulation	55,808	61,356	91,591	93,730	100,230	100,487	103,331	109,426	112,742

¹ Includes obligations for pesticides research and regulation which relate to pollution and which are included in the table on pollution research, abatement, and control.

THE ECONOMY

Or perhaps we should term this a bill "for the protection of industry and labor," since those few, the approximately 5 percent left on the farm have had to substitute huge investments in machinery and equipment for those who have moved to town, thus becoming perhaps industry's and labor's biggest market.

The producers of agricultural products spend nearly \$30 billion a year for goods and services to produce crops and livestock; another \$12 billion a year is spent for the same products that urban residents purchase—food, clothing, drugs, furniture, appliances, and other products and services. Each year the farmers' purchases include \$3.4 billion in new farm vehicles, machinery, and equipment. It takes 120,000 nonfarm employees to produce this farm equipment alone.

His annual purchases also include \$3.4 billion for fuel, lubricants, and maintenance of machinery and motor vehicles. Farm production uses more petroleum

than any other single industry. Each year the farmer buys products containing 320 million pounds of rubber—about 9 percent of the total used in the United States, or enough to put tires on nearly 6 million automobiles. He consumes 28 billion kilowatt-hours of electricity annually. Every year he uses 5 million tons of steel in the form of machinery, trucks, cars, fencing, and building materials. Farm use of steel accounts for 40,000 jobs in the steel industry.

RURAL DEVELOPMENT

On the other hand, the bill might be called the Rural Development Act of 1971, for this bill provides funds to continue and improve the rural development programs of the Department, including the activities of the Soil Conservation Service, the Farmers Home Administration, the Extension Service, and the Rural Electrification Administration.

It is clear that in the years ahead we must look more to our rural areas for de-

velopment of homes, jobs, and recreation for the millions of additional Americans anticipated. With such a small percentage of Americans on farms, it is clear that such development cannot be solely tied to a farm economy. These agencies have the loan, grant, and technical service programs providing the fundamental elements of rural development such as sewer systems, telephones, electricity, and water-resource development necessary for industrial and commercial development of rural America.

In fiscal year 1969 the Farmers Home Administration made the following number of loans in rural areas, to be repaid with interest: Farm ownership loans, 13,702; soil and water loans, 989; operating loans, 50,811; rural housing loans, 54,102; emergency credit loans, 20,686; and water and sewer grants, 678.

The Soil Conservation Service has built or planned 440 multiple-purpose reservoirs and is operating 68 resource conservation and development projects,

bringing to bear its technical services on the economic problems of multi-county development. The committee is providing for five new projects in 1971.

In this bill, the budget estimate is raised by \$20 million for the rural electrification and telephone programs which have brought the amenities of urban living to rural areas but not the city problems.

The committee has restored sufficient funds to provide coordination of the many Federal programs available to contribute to rural development. Agencies contributing to this development include Commerce, Housing and Urban Development, and Health, Education, and Welfare, as well as the several agriculture agencies.

For example, the recently passed independent offices and Housing and Urban Development appropriation bill included

\$500 million for water and sewer facilities in towns and cities above 5,500 in population, \$800,000,000 was provided in 1970 for waste treatment facilities, and the President is proposing a 4-year program of \$1 billion per year through 1975.

In addition, the Economic Development Administration, from 1965 through April of 1970, has spent \$832 million for projects located outside the major urban areas.

ANTIPOLLUTION BILL

This bill could be cited as "the anti-pollution bill," for included are funds for watershed protection and flood prevention, in the agricultural conservation program and the Soil Conservation Service.

Under the flood prevention and watershed programs, there are built or planned 8,944 floodwater retarding structures, and 440 multiple-purpose reservoirs, which will catch 2.9 billion tons of sedi-

ment near their source. Such sediment is a known carrier of pollution.

In addition, the ACP program, restored by the committee, has contributed over 2 million smaller on-farm structures where the farmer provides about two-thirds of the cost, including his labor. The ACP program, with technical advice from the Soil Conservation Service, has fought pollution with measures such as terracing, strip cropping, and permanent sod waterways.

The committee has also strengthened the research programs in pollution control, with increased staffs for water quality research at Durant, Okla.; the National Sediment Laboratory at Oxford, Miss.; soil and water research at Pendleton, Oreg.; and animal waste management at Fort Collins, Colo., and Bushland, Tex.

A summary of pollution-related activities of the Department follows:

ESTIMATED OBLIGATIONS FOR POLLUTION RESEARCH, ABATEMENT, AND CONTROL PROGRAMS OF THE U.S. DEPARTMENT OF AGRICULTURE, 1963-71

[In thousands of dollars]

Item	1963	1964	1965	1966	1967	1968	1969	1970	1971
Agricultural Research Service:									
Salaries and expenses:									
Research.....	30,262	35,733	52,124	54,982	58,043	59,432	59,646	65,203	66,230
Plant and animal disease and pest control.....	1,541	1,749	3,046	3,144	3,737	4,117	10,359	11,514	13,414
Total, salaries and expenses.....	31,803	37,482	55,170	58,126	61,780	63,549	70,005	76,717	79,644
Cooperative State Research Service: Payments and expenses.....	5,155	6,315	9,487	11,177	11,405	11,070	12,400	12,800	14,000
Extension Service:									
Payments and expenses: Payments to States and Puerto Rico.....	4,252	4,725	5,675	6,615	7,575	8,525	9,000	9,243	9,656
Federal Extension Service.....	248	275	325	385	425	475	500	557	644
Total, Extension Service.....	4,500	5,000	6,000	7,000	8,000	9,000	9,500	9,800	10,300
Soil Conservation Service:									
Conservation operations.....	33,600	34,800	37,100	39,100	40,100	41,800	48,700	51,900	51,900
Great Plains conservation program.....	9,500	10,700	11,700	12,600	14,800	13,200	13,900	13,400	13,400
Watershed works of improvement.....	10,600	11,700	12,100	12,700	13,600	13,300	13,900	18,000	20,500
Flood prevention.....	7,200	7,500	7,900	7,600	7,500	7,200	6,900	7,200	7,200
Resource conservation and development.....			150	340	900	1,300	2,200	36,000	5,900
Total, Soil Conservation Service.....	60,900	65,700	68,950	72,340	76,900	76,800	85,600	94,100	98,900
Economic Research Service.....			20	20	50	90	200	200	200
Consumer and Marketing Service.....	40	42	43	45	46	48	50	60	60
Agricultural Stabilization and Conservation Service:									
Agricultural conservation program.....	182,100	182,800	184,600	179,500	188,800	170,200	159,400	156,100	185,000
Emergency conservation program.....	3,700	5,800	12,100	5,700	3,600	7,900	11,100	12,000	13,600
Administrative expenses for ACP and ECM.....	28,225	27,354	29,301	29,482	32,298	37,596	33,000	32,900	15,000
Cropland adjustment program.....				7,100	500	600			
Cropland conversion program.....	2,000		1,900	200					
Appalachian land stabilization and conservation program.....					6,500		3,000	3,300	
Total, Agricultural Stabilization and Conservation Service.....	216,025	215,925	227,901	221,982	231,698	216,296	206,500	204,300	28,600
Farmers Home Administration:¹									
Water and sewer system loans:									
Direct.....	8,400	11,300	13,100	27,500	82,900	79,400	74,600	64,000	74,000
Insured.....	5,500	22,100	37,000	84,700	92,000	83,100	90,000	80,000	85,000
Subtotal, water and sewer system loans.....	13,900	33,400	50,100	112,200	174,900	162,500	164,600	144,000	160,000
Rural water and waste disposal grants.....				18,600	22,500	23,000	25,000	42,000	52,000
Administrative expenses.....	209	501	752	1,962	2,961	2,783	2,500	2,900	3,100
Total, Farmers Home Administration.....	14,109	33,901	50,852	132,762	200,361	188,283	192,100	188,900	215,100
Forest Service: Forest protection and utilization.....	30,500	31,600	34,000	36,500	41,300	48,000	54,700	57,200	62,900
Total, pollution research, abatement, and control.....	363,032	394,994	452,423	539,952	631,540	613,136	631,055	644,077	694,704

¹ Excludes loan repayments.

NUTRITION

This bill could be called the peoples bill because of its contribution to human nutrition and aid to those who for one reason or another do not have an adequate diet.

The record of the Department of Agriculture, made possible by the actions of the Congress and this committee, is long and strong in the support of nutrition and cost of production research, research

on marketing, and support of other agriculture programs designed to improve the basic structure of agriculture and to enable the American people to spend only 16 percent of their income on food. This remarkable achievement is largely unnoticed. The committee is proud of another part of this record which is also unnoticed. That is this committee's direct support of food aid.

Two years ago the Congress adopted,

at the committee's request, some important new language for the section 32 appropriation. This language provided \$45 million for a number of expanded and innovative programs. The amount was raised to \$100 million in the 1970 budget. The language follows:

(4) In addition to other amounts provided in this act, not more than \$100 million (including not to exceed \$2 million for State administrative expenses) for (a) child feed-

ing programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended, (b) additional direct distribution or other programs, without regard to whether such area is under the food stamp program or a system of direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly or through a State or local welfare agency, an adequate diet to other needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food, and (c) milk for children in nonprofit high schools and schools of lower levels, child-care centers, summer camps, and similar nonprofit institutions devoted to the care and training of children.

This language has meant valuable flexibility in meeting many emerging needs for our food programs. In 1970 a total of \$67 million has been allocated to supplement the funds available from the child nutrition direct appropriation to provide for:

First. Special cash assistance which provides schools with a higher rate of cash reimbursement for serving free or reduced-price lunches to needy children;

Second. Serving school breakfasts to children in schools that draw attendance from low-income areas and those in which a substantial portion of the children must travel long distances; and

Third. Equipment necessary for serving these lunches and breakfasts.

The primary emphasis in the use of these funds is the extension of program benefits to needy children.

The \$2 million designated for State administrative expenses is allotted to the States on the basis of detailed plans and justification of need for supervising and giving technical assistance to local school districts for additional activities undertaken by them to reach more needy children with lunch and breakfast programs.

The \$20 million of these funds allocated for the special milk program are being used to supplement the \$84 million appropriated to increase the consumption of fluid milk by children. All

nonprofit schools of high school grade and under, all nonprofit summer camps, and childcare institutions devoted to the care and training of children are eligible to participate.

A special experimental program authorizing free food stamps to persons with little or no income was started in March 1969 in Beaufort and Jasper Counties, S.C., with \$5,000 of these funds, and this project is continuing at this level in 1970.

The special supplementary food package program makes available enriched foods for new and expectant mothers, infants, and young children in food stamp areas. The program is operated through local health facilities such as clinics, with doctors and public health nurses prescribing for clients those foods offered by the Department of Agriculture.

A new experimental program involving the issuance of a special purpose food certificate is being tested in a limited area of Chicago. Eligible recipients—low-income new and expectant mothers and infants—use this food voucher to purchase milk, infant formula and baby cereal in local retail stores. The remaining \$10,995,000 budgeted for 1970 is to be used for these two programs.

Last year the Congress appropriated a total of \$610 million, an increase of \$270 million, for food stamps. The committee helped this program grow from a small experiment conducted under section 32 to be the major food aid program of the Department.

For example, in 1967 the conference agreed and the Congress directed that \$5 million of the funds for the food stamp program go to especially needy persons.

The committee has supported a strong nutrition education program. Last year's report stated:

The committee has approved an appropriation of \$30 million for the nutrition aide program initiated last fall. This is in line with the latest budget recommendation and places existing programs on a yearly basis. Of this sum, \$7,500,000 shall be available for professional workers to promote 4-H type

programs in the depressed areas of our cities. This program involves educational work among low-income groups to reduce the incidence of malnutrition, by providing homemaker aides who will use available information, knowledge and skills to teach needy people to utilize all resources toward the achievement of a more nutritionally adequate diet.

In this connection, the Committee feels that full use should be made of the Nation's 3 million 4-H Club members to promote 4-H Club-type work with the youth of our towns and cities. The success of this program in rural areas has forcefully demonstrated the effectiveness of this approach. It may well be found that the most successful results from nutritional education of low-income families will come through work with the younger members of the family.

For these and other reasons, clearly established in the record, the committee is proud of its efforts to achieve better nutrition.

For 1971, the committee has restored the special milk program recommended for deletion in the budget estimate. This will provide about 3 billion half-pints of milk to about 17 million schoolchildren.

The committee has provided the full budget estimate of \$1,250 million for food stamps, which of course has to await authorization before expenditure, and congratulates the Department on the establishment of the Food and Nutrition Service, an agency which is doing a good job.

The committee has raised by \$5 million the recently authorized equipment program to a total of \$17.5 million in 1971.

Included in the bill is \$200 million for free and reduced-price lunches for an estimated 6.6 million needy children. Unfortunately, the fact that the Children's food service program was signed into law on May 14, 1970, made it impossible to obtain a budget recommendation or hold hearings in time to include funds for this purpose. The amended program will have the attention of the committee in the first supplemental.

A summary of the dramatic expansion of these programs follows:

ESTIMATED OBLIGATIONS FOR HUMAN NUTRITION PROGRAMS, INCLUDING FOOD ASSISTANCE, RESEARCH, AND EDUCATION OF THE U.S. DEPARTMENT OF AGRICULTURE, 1963-71

[In thousands of dollars]

Item	1963	1964	1965	1966	1967	1968	1969	1970	1971
Agricultural Research Service: Salaries and expenses, Research.....	2,053	2,055	3,981	3,943	3,786	3,654	3,734	4,097	4,272
Cooperative State Research Service: Payments and expenses.....	852	874	997	1,092	1,151	1,188	1,232	1,677	1,792
Extension Service:									
Payments and expenses:									
Payments to States and Puerto Rico.....	2,305	2,350	2,448	2,495	2,571	2,646	11,702	31,788	52,142
Federal Extension Service.....	95	100	102	105	109	114	406	1,325	1,410
Total, Federal Extension Service.....	2,400	2,450	2,550	2,600	2,680	2,760	12,108	33,113	53,552
Removal of Surplus Agricultural Commodities—Section 32:									
Commodities and administrative expenses.....	93,380	258,503	229,222	119,095	176,985	164,390	339,995	366,619	268,794
Special feeding program.....							45,000	100,000	186,058
Total, section 32.....	93,380	258,503	229,222	119,095	176,985	164,390	384,995	466,619	454,852
Food and Nutrition Service:									
Special milk program.....	94,036	99,721	97,759	96,552	99,289	102,574	102,677	84,000	104,000
Child nutrition programs.....	169,167	181,133	191,141	201,114	211,846	220,205	246,088	315,338	331,753
Food stamp program.....	20,415	30,479	35,135	70,440	115,515	187,284	250,982	610,000	1,250,000
Total, Food and Nutrition Service.....	283,618	311,333	324,035	368,106	426,650	510,063	599,747	1,009,338	1,685,753
Commodity Credit Corporation—domestic commodity donations and administrative expenses.....	294,523	293,425	163,578	126,182	138,898	237,442	236,413	112,969	267,809
Office of Information.....	153	148	177	159	203	132	200	197	192
Total, human nutrition.....	676,979	868,788	724,540	621,177	750,353	919,629	1,238,429	1,628,010	2,468,222

In determining the amounts considered to be essential for these purposes for the next fiscal year, it is important to review some of the conditions facing the 200 million American consumers as well as the economic strength of this Nation at home and abroad in the years ahead.

FARMING NO LONGER ATTRACTIVE

The number of agricultural producers providing food and fiber for our rapidly expanding population continues to decline and is now down to about 5 percent of the people in this country. Trained and experienced farm labor is in increasingly short supply.

Long hours of hard work, more rigorous living conditions, hazards of weather, threats from insects and diseases, increasing financial risks, and decreasing financial returns are causing farming to become less and less attractive to each succeeding generation of young people. Fewer and fewer farm children are turning to farming as a career. More and more of their parents are moving to "greener pastures" in town as the monetary return for their labor, investment, and managerial skills decrease on the farm.

As a business venture, farming is becoming less attractive as the necessary farm investment increases and the net return on the investment decreases. Figures from the Department of Agriculture show that average farm investment has increased nearly fourteenfold in the past 25 years, from \$6,158 in 1940 to \$85,402 in 1969. They also indicate that the average return on farm equities has dropped more than 50 percent during this period, from 7.1 percent in 1945-49 to 3.1 percent in 1968.

It is entirely understandable, therefore, why fewer and fewer people are remaining on the Nation's farms, and why some 5 percent of our population on the farms is now feeding the other 95 percent in addition to themselves. This undesirable imbalance can be expected to be further aggravated as movement away from agriculture continues.

According to Department figures, an average of nearly 800,000 people have left the farms in each of the last 5 years. The farm population has decreased to about 10 million today, as compared to more than two and a half times that number in 1950.

The trend away from the farm is also evidenced by the steadily decreasing amount of land in farms and the size of farms. The total land in farms in 1950 was 1.2 billion acres as compared to 1.1 billion acres in 1965, a reduction of 100 million acres. The average size of a farm increased from 213 acres to 377 acres in that same period.

As the committee has pointed out many times, the farmer or agricultural producer can afford to quit, but the consumer cannot afford to have him do so.

AGRICULTURE REMAINS BASIC

In the opinion of the committee, the growing tendency to consider agriculture as a less essential part of our national economy, and to reduce funds needed for its continued support, threatens our Nation at home and abroad. It

could have a serious effect on the future food supply of this country and could weaken our ability to meet our future responsibilities as a leader of the nations of the world.

History teaches us that the food-deficit countries of the world started on their decline by failing to give adequate attention to the protection and development of their basic natural resources. They failed to provide necessary protection and development through research, control of insects and diseases, conservation and other programs needed to assure the preservation of their capacity to meet the needs of their people for food, clothing, and shelter. This is true of nearly every country we aid today. We must not make the same mistake.

One of our major problems today is that, though agriculture is our best market for industry and labor and the most economical supplier of the consumer, so few people are engaged in agriculture that its voice is weak in the legislative halls of a majority of the States and of the Nation. No longer does agriculture figure prominently in the planning of those who would appeal to the majority. This leaves a major task for those who recognize that the national welfare depends on a sound and healthy agriculture.

LOW FARM INCOME TRIGGERS FINANCIAL DEPRESSION

It has been stated that the seeds of the Great Depression were sown in the agricultural depression of the 1920's which followed the First World War. The failure to maintain farm exports or to support farm prices and thus to maintain farmers' purchasing power weakened banking and business. Yet, people refuse to remember the lessons of the terrible financial crises of the 1920's and 1930's. It was graphically illustrated in 1921, in 1929, and again in 1937 that if the farmer's prices and purchasing power collapse, the whole economy suffers.

Let us now briefly review the history of farm prices in the late twenties and the thirties, when a drop in the purchasing power of those engaged in agriculture not only wrecked farming, but dragged down the economy of the whole Nation.

After the First World War ended the Government announced that it would no longer support the price of wheat. The wheat which had brought \$2.94 a bushel in Minneapolis in July 1920, brought \$1.72 in December 1930, and 92 cents a year later. Agricultural prices in general collapsed. Cotton fell to a third of its July 1920 price and corn by 62 percent. The Yearbook of Agriculture of 1922 shows that the total value of agricultural products dropped from \$18,328 million in 1920 to \$12,402 million in 1921. As a result of the agricultural crash of 1920-21, 453,000 farmers lost their farms. Many others remained in serious financial trouble which, in turn, was reflected by failures of local banks.

Average wheat prices for the years 1924 to 1927 stayed pretty much in a range between \$1.19 and \$1.44 a bushel as com-

pared to a parity price of approximately \$1.40 for that period. Corn prices in these same years varied between 70 cents a bushel to \$1.06 a bushel versus a parity price of about \$1. Cotton prices were 12.5 cents a pound in 1926 but averaged 20.7 cents for the other years, compared to a parity price of 19.1 cents. In 1928 these prices were: wheat, \$1; cotton, 18 cents; and corn, 84 cents. By 1931 wheat was 38 cents; cotton, 5.5 cents; and corn, 32 cents—roughly one-third of the pre-1928 price levels. Starting in August of 1929, wheat prices for the dominant futures on the Chicago Board of Trade fell from \$1.43 average price to 76 cents in November of 1930, a drop of over 50 percent in 15 months. The Dow-Jones stock price averages followed by declining from a high of 381.2 in September to a low of 41.2 in July of 1932. The decline of the price of wheat on the commodity exchanges was particularly significant since there were nearly \$250 million of open contracts in October 1929, almost 2½ times the number of contracts in normal years. A great many of these speculators were ruined.

It has been said that there were more suicides during this period among those that didn't know what a farm was as a result of the breakdown in farm or commodity prices—which had led to a fall in prices and values throughout the economy—than in any other period in our history.

It was a sad way to learn it, but people at that time came to realize that real wealth starts with material things—corn, wheat, cotton, food crops of all kinds, and other raw materials—and that the general economy was primed by the sale of raw materials since, in general, the total national wealth averages some seven times the sale value of the farm or raw material production.

We learned several lessons in the twenties and thirties.

First, that when farmers cannot get a fair return for their production, the land suffers. Remember, the price of food, clothing, and shelter is going to be paid either by those who use them, or by the land from which they come. Congress, reacting to the terrible depletion of our natural resources, passed the Soil Conservation and Domestic Allotment Act of 1936. Yet, today these same facts get little recognition.

Second, we sometimes seem to forget that some form of effective control over farm production and marketing is necessary. In 1937 heavy crops caused surpluses and low prices for wheat and cotton, and a severe drop in commodity prices corresponded to another decline through the economy.

Our farm programs today seem often to be predicated on the belief that cheap raw materials made this country great. That is undoubtedly true; however, we wasted half our natural resources in the process. The high payments which are the result of these policies have engendered a great animosity, in the minds of some, toward our agricultural producers.

It shall be remembered that the price of food, clothing and shelter is going to be paid either by those who use them, di-

rectly or through taxes, or by the land from which they come.

The people of India and China throughout the centuries demanded food and fiber below the cost of production. The cost was paid by the land from which it came. As a result, the land is worn out. Yet we in this country wore out more rich land in a shorter time period than any nation in history, largely because we had land to waste. This is no longer the case.

PAST ACHIEVEMENTS OF AMERICAN AGRICULTURE

The efficiency of American agriculture has been a blessing to the consumers of the world. It has provided a plentiful supply of wholesome and nutritious foods which U.S. consumers have come to accept and take for granted. It has produced quantities in excess of domestic needs which have become a significant factor in our international programs of aid and assistance to the less fortunate peoples in other nations of the world.

Because of the remarkable achievements of American agriculture, the people of the United States for years have enjoyed a standard of living never before attained anywhere in the world.

These achievements have been made possible by cooperative Federal, State, and local efforts in the various agricultural programs of the Nation. The leadership of the U.S. Department of Agriculture, the land-grant universities, and the States and local agricultural agencies, have developed an agricultural industry in the United States which is the envy of the entire world.

As a result of our high level of efficiency in agricultural production, and certain governmental policies which have failed to make U.S. commodities competitive in world markets, this country has had supplies of commodities which have been surplus to U.S. needs during certain periods in the past several decades. National policies and farm programs have been directed toward meeting this situation. It is pointed out that, while these supplies were surplus to domestic U.S. demands, they were by no means surplus to world needs. Also, it is the opinion of many responsible officials and experts in this country that it is much better for the United States to have too much rather than too little of the things necessary to feed, house, and clothe our people. The cost of handling and storing surpluses has been small indeed, compared to the benefits to the American consumer and to the position of strength in world affairs which our agricultural production has enabled us to maintain.

A FIRM SUPPLY OF FOOD ESSENTIAL

Aside from the possibility of nuclear conflict, hunger is probably the foremost problem of the world today. Approximately half of the world's 3.5 billion people suffer from malnutrition. The World Food Congress was told in 1963 that around 10,000 persons die every day from starvation.

India had a food crisis in 1963. Short-staple wheat and the so-called miracle rice has helped, but that vast subcontinent still has a year-round hunger problem; so do many other areas in the world. The present outlook is that hunger will

grow more and more intense with the passage of time. The world's population increase is almost unbelievable. Each year births exceed deaths by almost 60 million.

This alarming population expansion can be fully appreciated when it is realized that the population of the world, which reached the first billion by the year 1830, took only 100 years, 1830 to 1930, to reach 2 billion and only 30 years, 1930 to 1960, to reach 3 billion. It is expected to exceed 6 billion people by the turn of the century. The population growth in the United States increased from 13 million in 1830 to 123 million in 1930 and 179 million in 1960. It is expected to reach 300 million by the year 1990.

The Secretary, testifying recently before the House Committee on Foreign Affairs, stated:

We must, of course, project the future in order to plan for it. But there is a strong tendency, I think, to project from present conditions, without accounting enough for variables. Weather, for instance, can cause as much as 25 percent fluctuation in Agriculture production.

Although the Secretary was speaking of worldwide agriculture, this statement is just as applicable at home. It should be added that there is an equal danger in projecting past solutions. For this reason, volume 1 of the hearings includes testimony taken by the subcommittee from Secretary Benson in 1957. These hearings demonstrate that policies quite similar to those being followed today, including massive land retirement, forced thousands of farm families to migrate to the cities. Recent events have proven this migration to be a disaster. The policies caused us to lose our foreign markets, as well, by holding an umbrella over the world markets with high prices. Foreign suppliers got the market and we became a residual supplier. Such price levels have encouraged foreign planting of commodities such as cotton and wheat that have further reduced our exports.

COMPETITIVE EXPORT SALES NECESSARY

For the past 20 years, the committee has done everything possible to encourage and require exportation of U.S. agricultural commodities and has continued to insist that such commodities be offered continuously in world markets on a competitive basis. During those years when U.S. commodities have been kept competitive, export sales have increased substantially and the pressure of surpluses has been removed from the domestic markets.

Despite unlimited authority to sell competitively in world markets the Department's failure to sell competitively in the early 1950's, caused CCC commodity inventories to increase from \$1 billion as of June 30, 1952, to \$5 billion as of June 30, 1955. During this period, CCC holdings of cotton increased from \$418,000 to \$1.2 billion.

In 1955, at the insistence of this committee, the first cotton was offered for sale abroad for dollars on a competitive basis and 1 million bales were sold in a few weeks. Subsequently about 7 million bales were sold soon after they were of-

fered. Then in 1956, despite this most satisfactory experience, the Department took steps to again hold U.S. cotton off world markets. This caused Congress to enact the Export Sales Act of 1956 requiring sales for dollars to regain and retain the U.S. historical share of world markets.

Notwithstanding this legislation, the Department in 1958 again refused to offer cotton at competitive prices. The Comptroller General ruled this to be a violation of the 1956 Export Sales Act. Cotton exports again dropped—from 7.6 million bales in 1956 to 2.8 million bales in 1958. This action cost the CCC and the American taxpayers hundreds of millions of dollars, and did great damage to U.S. cotton producers.

In 1959, under increased pressure from Congress, competitive sales were re-instituted and exports again increased—to a level of 6.5 million bales in 1959. Despite the outstanding success of the competitive sales program each time it has been used, however, the Department continues to favor the export "payment-in-kind" approach, which has not been effective and which has been extremely costly to the Government.

The history of our export programs clearly demonstrates that the "payment-in-kind" program is not a satisfactory substitute for competitive sales abroad. Like most exporting nations of the world, we should sell what we produce and don't need for what it will bring in the world markets. Past experience has shown that, when buyers have the opportunity to support world prices by their bids, markets throughout the world are strengthened and commodities flow freely through the normal channels of trade. Loss of markets to our competitors has proved the dangers of an artificial price umbrella over world markets, fixed by a governmental agency.

The Export Sales Act of 1956 referred to above also requires the Secretary of Agriculture to establish an export goal at the beginning of each year and, in the opinion of the committee, requires him to announce such figure to the public. No such goals have been announced in recent years, despite the provisions of law. This has had a depressing effect on U.S. exports. While the historical U.S. share of the world cotton market is around 6 million bales annually and while the law requires the export of this amount, cotton exports dropped to 3.3 million bales in 1962, 4.7 million bales in 1967, and 2.5 million bales estimated for 1970.

In view of these factors, the committee insists that the Department: first, return to offering commodities for sale on a competitive bid basis; second, make "payment-in-kind" payments from commodity stocks in lieu of cash payments; and third, conform to the Export Sales Act of 1956 by announcing to the world the quantity of cotton the United States will intend to sell each year on world markets. The same policy would be good for other commodities. These exports should be from private stocks and handled through private channels where possible and from Government stocks where necessary. The Export Marketing Service should maintain the right to deter-

mine when and how much to offer at various times during the year to reach the total goal.

The ability of this country to provide the most abundant supply of wholesome and delicious food at the lowest cost ever known to the people of the United States—and in addition feed substantial numbers of hungry people throughout the world—has been one of our greatest strengths in meeting domestic needs and in dealing with world problems.

The failure of Communist agriculture, a failure which is chronic and deep-seated, has tremendous implications to the hundreds of millions constantly plagued by hunger. The Communist inability to produce efficiently and abundantly is due in large part to a lack of adequate and well-directed research and related agricultural programs, under a system which has tied the hands of Soviet agricultural scientists.

This must not be permitted to happen in the United States. We cannot allow any change in emphasis or direction which would weaken or damage our successful research, extension services, soil conservation, and marketing programs which have given this country its efficient and productive agricultural system. These basic programs of the Department of Agriculture, the land-grant colleges, and related institutions, must be continued at least at present levels.

WHAT WE FACE

The individual agricultural producer has many special problems. For instance, if he is engaged in dairy production, he will learn that, about the time he gets his equipment paid for, some local, State, or Federal Department of Health—frequently acting at the instance of Members of Congress or other legislative bodies, or the press, catering to the 95 percent of nonfarmers—has passed regulations requiring entirely new equipment to meet “newly adopted” standards for the handling and distributing of milk.

If he tries to meet this requirement, he may learn that, because of new pesticide residue-testing methods which can measure a part in a trillion, he has to dump his milk. He may have to do this even though there be absolutely no evidence that the minute traces found by modern testing methods endanger anything. Of course, the Government promises—and sometimes pays—an indemnity.

If, like most, his dairy is on rolling grassland just outside a fast-growing city, his land increases in value so rapidly that in self-defense and because of increasing taxes he must develop his land or sell. He comes out fine financially, but there will be no more dairying for him.

If he is a producer of perishable commodities, he finds that his Government has set the rate of pay for labor, plus other requirements, at such a high level that his competitors go across the border into Mexico where labor is paid about the same per day as the American producer's Government makes him pay per hour.

If the American farmer is in the poultry business, he may find that not only must he meet standards of health; but,

also, he must observe other requirements of consumer groups that may have nothing to do with health. When he develops a foreign market, such as he did in Germany and many of the countries of Western Europe, he finds that the Common Market, promoted and sponsored by the United States, has set up uncalled-for requirements so as to fence him out of this market. Of course, those countries do not provide a “tariff,” they just simply require an equalizing payment, which has the same effect.

If our American producer happens to be a cotton farmer, he finds that his Government—instead of carrying out the law calling for U.S. production at a level sufficient to meet domestic demand and supply our normal share of world markets—has set up regulations under law restricting annual production. He finds that, while in effect charging the American farmer a dollar a bale for promoting cotton, we do not have U.S. cotton of desirable quality available for world markets.

Our American producer further learns that while his Government will pay him to leave a part of his land out of production, the press—instead of giving him credit for having foregone—unwisely, if I may say so—the use of part of his land in order to earn the money—pictures him as somewhat of a misguided, getting something for nothing, Government dependent.

Whatever he produces, the agricultural producer will take the brunt of public criticism for high retail food prices, though the high prices come from consumer demand for processed, packaged, and frozen foods, and not from the price he receives.

If the American farm producer grows grain, he may find that, just about the time he begins to get a fairly decent price for his production, the Commodity Credit Corporation will sell enough from its supply to bring down the price he receives. If he looks abroad, he finds that for more than 15 years, under the AID or foreign aid program, his Government has been educating foreign peoples to produce the very commodity that he himself produces. Furthermore, his Government has been making competitors out of former customers, and furnishing U.S. technicians to do it—738 at one time, according to our investigation a few years ago. And so it goes.

WHAT IT ADDS UP TO

When all this is said and done, you can easily see why fewer and fewer people are staying on the farm, why fewer and fewer young people are studying agriculture in our colleges. Of course, they can quit; but you and I cannot afford to have them do so.

Mr. LANGEN. Mr. Chairman, I yield myself 10 minutes.

(Mr. LANGEN asked and was given permission to revise and extend his remarks.)

Mr. LANGEN. Mr. Chairman and Members of the Committee, it becomes a rather easy assignment to fulfill this role in explaining the bill before us, following the very eloquent and precise statement made by the chairman of the subcommittee.

I think by now all realize the extent to which he is informed in great detail of the problems as they relate to agriculture, the extent to which moneys are provided in this bill to deal with each of those problems, and the extent to which he has attempted to satisfy the great needs of rural America as well as the rest of the country.

He and, in fact, all of the members of the subcommittee have been most adequately assisted by the committee's counsel, Jerry Boling. This is the first year that Jerry has filled that difficult role; but, watching him in action, one would never know it. I have been most impressed with his quick grasp of the difficult material that the subcommittee must deal with and his ability to promptly supply us with needed information and advice.

I want to take this opportunity to direct the attention of every Member to the excellent committee report which accompanies this bill. It contains a wealth of information about the vital role agriculture has played, and continues to play, in our Nation's life. It also demonstrates the importance of the many programs funded by this bill to all Americans and points out the error of looking upon this bill as important only to farmers and rural America. Surely, anyone who reads this committee report cannot help but be impressed with the importance of this bill to the future of our country.

Mr. Chairman, there is a rather old joke that has been floating around for several years to the effect that the Congress ought to pass a law to prohibit the Department of Agriculture from employing more people than there are farmers. Perhaps there is some humor in this for those who are not familiar with the activities of the Department of Agriculture or with the conditions confronting our farmers in rural America. However, for those of us who are familiar with the situation, it has a rather hollow ring because this old joke is based on some false assumptions. I think that this is a good time to clarify those assumptions. The first assumption is that the Agriculture Department is primarily engaged in serving and assisting the interests of the farmer. This is not true as I will demonstrate shortly. The second assumption is that the Agriculture Department is a mushrooming bureaucracy that is soaking up an inordinate share of Federal funds. This also is not true as I will explain later. It is true that the number of farmers and the number of Department of Agriculture employees are coming closer together, but the reason for that is the economic conditions which exist in rural America are forcing the farmer off the farm. We are fast approaching the point where only the largest and most well established farmers are able to make a decent living on the farm producing the food and fiber that the rest of us are dependent upon. From 1960 to 1968, the total farm population declined by over 30 percent from 15.6 million to 10.5 million. This continued hemorrhaging of the vitality of rural America must be ended for it has a damaging effect on the lives of everyone. Rural communities lose their most valuable asset—their

young people who find they have no future there. Soon these communities find that they are unable to provide adequate services to their populations, thus driving away more people and businesses. On the other hand, our urban centers are being inundated by folks from rural areas beyond their capacity to absorb them. The results are overcrowding, pollution, inadequate job opportunities, crime, and all the other urban ills with which we have become so familiar.

That this bill deals with several areas of national concern can be seen by even the briefest reading of the committee report. Pollution, conservation, nutrition, welfare, housing, community development, and consumer protection, all familiar terms in today's headlines; and all are dealt with in the bill which we are now considering. Unfortunately, we do not have sufficient time to consider in the detail the many features of this bill which deal with items of current public concern. However, I believe that a brief recital of the highlights of this aspect of the bill will be sufficient to convince my colleagues who do not have a particular interest in agriculture that this bill merits their support. In fact, as it has for the past several years, this appropriation bill for the Department of Agriculture contains more funds for programs of concern to urban citizens than for programs of particular interest to the farmer.

Recognizing the importance of pollution control, the committee has recommended an appropriation of \$56 million for rural water and waste disposal grants. This figure is an increase of \$10 million over last year's appropriation and \$32 million over the budget estimate. This \$56 million will be sufficient to provide for 315 planning grants and 745 development grants to small, rural communities whose resources are inadequate to finance these vital facilities. Not only will these small communities benefit by an improved and healthful water supply as well as a better environment, but all of us will benefit by the decreased pollution of our streams, rivers, and lakes that will result from the construction of these facilities.

Additionally in the field of pollution control, we are recommending an appropriation of \$112.7 million to operate pesticide research and regulation programs during fiscal 1971. The chart on page 3 of the committee report shows us the funding history of these programs; as one can easily see, there has been a dramatic growth in congressional support for these activities in recent years—we have doubled their funding in the past 8 years. This is the result of a legitimate concern over the impact of these chemicals and other agents on our environment. The Department of Agriculture has responded to this concern with considerable vigor. The beefed-up funding provided in this bill should enable the Department to deal more effectively and more intelligently with this difficult problem.

In the broader area of conservation, of which pollution control is an important part, this bill also responds to the

concern of the Nation. The committee is recommending that the agricultural conservation program be restored to the same level as it is operating at during the current fiscal year—\$195.5 million. This important conservation program enables thousands of individual farmers to institute conservation practices on their farms each year. The benefits that accrue to each of us from this program are many and varied: The development of needed recreation areas and wildlife habitats; the ending of stream pollution by siltation; the restoration of depleted land to assure us a continuing, abundant supply of food. These are just examples of the fruits of this program.

The elimination of funds for ACP, as recommended in the budget, would necessitate the addition of such amounts to the other conservation and watershed programs administered by the Department if we are to maintain our commitment to conserving our natural resources. This program provides the best possible means for getting conservation practices applied to the land. Until a better program is proposed, and I am not sure that there is one, it would be a real mistake to fail to support this key conservation program.

The Soil Conservation Service, the principal conservation arm of the Agriculture Department, provides professional leadership in soil, water, and plant conservation, working directly with locally managed soil conservation districts and local sponsors of watershed projects. We have recommended an increase of almost \$10 million to fund the Service's conservation operations. Additionally, we have recommended an increase of \$10.4 million in the important watershed works of improvement program which will provide for 70 new construction starts. The program assists local watershed districts to undertake needed flood prevention and soil erosion prevention activities of a magnitude beyond the resources of the local district. Finally, the committee recommends a \$3.6 million increase for resource conservation and development—R.C. & D.—projects. This increase will allow seven projects which are ready to begin construction to proceed and will permit five new planning starts in fiscal 1971.

Our obligation to do everything possible to assist those in need achieve a nutritionally adequate diet has long been recognized by this committee and we have acted in support of that recognition to the fullest extent possible. A brief summary of the committee's record in this area is contained on pages 8 to 11 of the committee report. It is an impressive record and one that we are proud of. As the chart on page 11 demonstrates, we have quadrupled the funds that are devoted to human nutrition programs over the past 8 years; and just this year alone, we are recommending a \$1 billion increase in these programs.

The committee has restored the special milk program in this bill and recommends an appropriation of \$104 million to fund it; the same level it was funded at for the current fiscal year. The Department of Agriculture has estimated that almost 3 billion half pints of milk

were served to 16.6 million children through this program in fiscal year 1969. Additionally, approximately 16,000 schools participate in the special milk program that do not participate in the national school lunch programs. This means, of course, that the special milk program is the only child nutrition program that the children attending these 16,000 schools are able to participate in. Undoubtedly, these 16,000 schools are concentrated in poorer urban neighborhoods and small rural communities that have been unable to support a school lunch program—the very schools that most need our support. For these reasons, we feel that it is particularly important that the special milk program be continued at this time.

For the other child nutrition programs, the committee has recommended increases totaling over \$105 million—\$65 million of this increase is slotted for free and reduced priced lunches for needy children.

For the food stamp program, the full \$1.25 billion has been recommended even though the program has not been authorized beyond December 1970, at a level of \$170 million. Consequently, we have had to insert language prohibiting the expenditure of these funds until they are properly authorized. As we have in the past, the committee has once again funded the food stamp program to the fullest extent possible.

Our commitment to assist the poor to obtain an adequately nutritious diet does not end here. Last year, the Congress, upon the recommendations of this committee, provided \$30 million for the new nutrition aide program which employs homemaker aide's to teach needy people to utilize all of their resources toward the achievement of a more adequate diet. This has proven to be an effective program, and we are recommending a \$20 million increase for it.

As I stated earlier, this committee is proud of its record in support of nutrition programs administered by the Department of Agriculture. This bill adds substantially to that record.

Another problem of national proportions that this bill deals with is our effort to provide decent housing for our citizens. Although too few people realize it, the housing crisis in rural America, which contains well over half of this country's substandard housing, is much more acute than it is in urban America. This committee has responded to this crisis in rural America.

First, we are recommending that the rural housing direct loan account in the Farmers Home Administration be restored to its 1970 level of \$30 million. Of this amount, \$27 million will be allotted for direct loans to individuals for very low income housing repair loans and for low- to moderate-income building loans.

FHA's major loan programs are financed through its two insurance funds—the agricultural credit insurance fund and the rural housing insurance fund. The budget anticipates loans totaling \$2.2 billion will be made from these funds in fiscal 1971. The fiscal 1970 budget had projected that \$2.2 billion of these loans would be made during the current fiscal year. For various reasons,

present estimates place the total at \$1.6 billion. In order to assist the Farmers Home Administration achieve the \$2.2 billion goal in fiscal 1971, we are recommending an additional \$9.5 million to enable FHA to employ an additional 900 persons to administer these vital programs.

We have also provided funds to administer the new loan programs for Indian Tribes that are authorized by Public Law 91-227 which was signed into law on April 11 of this year.

In order that the rural electric and rural telephone systems continue their vital function in the development of rural America, the committee recommends the full budget estimate for each of these loan accounts—\$322 million and \$123.8 million respectively. In recognition of the acute need for these loans in rural America, we are recommending that an additional \$20 million be placed in budgetary reserve to be released by the Bureau of the Budget to these programs as the need is demonstrated.

The Consumer and Marketing Service is responsible for administering the consumer protection and regulatory programs and the marketing programs of the Department of Agriculture. Its activities include meat and poultry inspection, the inspection, classification, and grading of other commodities to assure the housewife that grade A really is grade A and programs to assure the efficient and orderly marketing of agricultural

products. We are recommending an increase, including pay costs, of almost \$15.7 million for the Service over the fiscal 1970 appropriation. \$9.2 million, or 60 percent of this increase will be devoted to expanded meat and poultry inspection activities.

Another agency whose activities have a significant impact on all Americans is the Foreign Agricultural Service which has the primary function of expanding the sales of U.S. agricultural products abroad. In view of our balance-of-payments situation which has been deteriorating for the past several years, the efforts of the Foreign Agricultural Service to increase the sales of our farm products for dollars become increasingly important to our economic stability. Last month, I had the opportunity to attend an agricultural attachés' conference in Canberra, Australia, which considered the potential for U.S. sales in the Far East. In the near future, I submit a detailed report on the agricultural conditions in these nations as they were discussed at the conference.

At this time, I can report that these Far Eastern countries are expanding their markets for food and fiber. There is an excellent opportunity for us to expand our exports of agricultural products; but to take advantage of this opportunity, we will have to compete vigorously in these markets. We will have to expand our sales efforts, and we will have to be prepared to deliver high qual-

ity products in forms that are desirable in these societies. In order to accomplish this, the committee is recommending an additional \$250,000 for FAS to be devoted solely to the attache service in the field in these Far Eastern markets.

Mr. Chairman, I have attempted to, as briefly as possible, demonstrate the importance of the many programs administered by the Department of Agriculture to every American. However, there is another contribution that the Department has made to all of us that has gone virtually unrecognized. With the inflationary ravages that have been afflicting us in recent year, that contribution becomes more significant and hopefully will serve as a standard for other departments of the Government. That contribution is the fact that the Department of Agriculture's expenditures for agriculture and rural development programs have not been a factor in the creation of the inflation which has infected our economy.

In order to clearly establish this fact, I would like to include in the Record at this point two charts. These charts are based on the figures presented on pages 66 through 68 of "The Budget in Brief for Fiscal Year 1971." Chart A contains the actual 1969 and estimated 1971 budget outlays for each function and subfunction listed plus the percentage change for each item. Chart B contains the same items for fiscal 1960 and fiscal 1970. The charts follow:

BUDGET OUTLAYS BY SUBFUNCTION, 1969 AND 1971

[In millions of dollars]

Function and subfunction	1969 actual	1971 estimate	Percentage of change (increase or decrease)	Function and subfunction	1969 actual	1971 estimate	Percentage of change (increase or decrease)
National defense:				Natural resources:			
Department of Defense-Military:				Water resources and power.....	2,256	2,940	+30.3
Military personnel (including retired).....	23,818	24,104	+1.2	Land management.....	643	771	+19.9
Operation and maintenance.....	22,227	19,650	-11.6	Recreational resources.....	372	546	+46.7
Procurement.....	23,988	18,799	-21.6	Mineral resources.....	71	110	+54.9
Research and development.....	7,457	7,382	-.01	Other natural resources programs.....	160	183	+14.3
Military construction and other.....	525	1,421	+170.6	Deductions for offsetting receipts.....	-1,373	-2,048	+49.1
Deductions for offsetting receipts.....	-135	-163	+20.7	Total natural resources.....	2,129	2,503	+17.5
Subtotal, Department of Defense-				Commerce and transportation:			
Military.....	77,877	71,191	-8.58	Ground transportation.....	4,413	4,881	+10.6
Atomic energy.....	2,450	2,411	-1.6	Air transportation.....	1,042	1,668	+60.0
Military assistance.....	789	600	-23.9	Water transportation.....	864	938	+8.5
Defense-related activities.....	260	-51	-119.6	Area and regional development.....	584	710	+21.5
Deductions for offsetting receipts.....	-138	-572	+314.0	Postal service.....	920	382	-58.4
Total national defense.....	81,240	73,583	-9.4	Advancement and regulation of business.....	206	425	+106.3
International affairs and finance:				Deductions for offsetting receipts.....	-157	-217	-38.2
Economic and financial assistance.....	2,420	2,357	-2.6	Total commerce and transportation.....	7,873	8,785	+11.5
Food for peace.....	975	852	-12.6	Community development and housing:			
Conduct of foreign affairs.....	371	412	+11.0	Low and moderate income housing aids.....	871	1,499	+72.1
Foreign information and exchange activities.....	237	241	+1.6	Community environment.....	632	1,173	+85.6
Deductions for offsetting receipts.....	-217	-273	+25.8	Community facilities.....	146	237	+62.3
Total international affairs and finance.....	3,785	3,589	-5.17	Concentrated community development.....	684	1,242	+81.5
Space research and technology:				Community planning and administration.....	47	95	+102.1
Manned space flight.....	2,781	1,937	-30.3	Maintenance of the housing mortgage market.....	-406	-464	+14.2
Space science and application.....	569	612	+7.5	Deductions for offsetting receipts.....	-13	(1)	-----
Space technology.....	344	306	-11.0	Total, community development and housing.....	1,961	3,781	+92.8
Aircraft technology.....	168	184	+9.5	Education and manpower:			
Supporting space activities.....	390	376	-3.6	Elementary and secondary education.....	2,480	2,710	+9.2
Deductions for offsetting receipts.....	-6	-15	+150.0	Higher education.....	1,230	1,449	+17.8
Total space research and technology.....	4,247	3,400	-19.9	Science education and basic research.....	490	490	0
Agriculture and rural development:				Vocational education.....	262	329	+25.5
Farm income stabilization.....	5,000	4,467	-20.6	Other education aids.....	373	411	+10.1
Agricultural land and water resources.....	343	317	-7.6	Manpower training.....	1,193	1,720	+44.1
Rural housing and public facilities.....	318	-176	-155.3	Other manpower aids.....	810	1,034	+27.6
Research and other agricultural services.....	645	799	+23.8	Deductions for offsetting receipts.....	-13	-14	+7.7
Deductions for offsetting receipts.....	-85	-41	-193.2	Total, education and manpower.....	6,825	8,129	+19.1
Total agriculture and rural development.....	6,221	5,364	-13.7				

Function and subfunction	1969 actual	1971 estimate	Percentage of change (increase or decrease)	Function and subfunction	1969 actual	1971 estimate	Percentage of change (increase or decrease)
Health:				Deductions for offsetting receipts	-493	-498	+1.0
Providing or financing medical services	9,315	12,106	+29.9	Total veterans benefits and services	7,640	8,475	+10.9
Development of health resources	1,918	2,235	+16.5	General Government:			
Prevention and control of health problems	465	618	+32.9	Central fiscal operations	1,094	1,345	+22.9
Deductions for offsetting receipts	-2	-1	-50.0	Law enforcement and justice	534	1,027	+92.3
Total health	11,696	14,957	+27.8	General property and records management	567	632	+11.4
Income security:				Legislative and judicial functions	302	377	+24.8
Retirement and social insurance	32,240	41,895	+29.9	National Capital region	162	414	+155.5
Public assistance	4,272	7,035	+64.6	Central personnel management	146	184	+26.0
Social and individual services	888	1,454	+63.7	Executive direction and other general gov- ernment	299	360	+20.4
Deductions for offsetting receipts	-1	-1	0	Deductions for offsetting receipts	-238	-255	+7.1
Total income security	37,399	50,384	+34.7	Total general Government	2,866	4,084	+42.5
Veterans benefits and services:				Interest	15,791	17,799	+12.7
Income security	5,528	6,018	+8.8	Allowances		2,575	
Hospital and medical care	1,566	1,796	+14.6	Undistributed intragovernmental transac- tions	-5,117	-6,639	+29.7
Education, training and rehabilitation	701	1,206	+72.0	Total outlays	184,556	200,771	+8.7
Housing	102	-315	-408.8				
Other veterans benefits and services	237	269	+13.5				

Less than \$500,000.

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COMPARATIVE DATA ON FEDERAL BUDGET OUTLAYS: FISCAL YEARS 1960 AND 1970 (ESTIMATED)

Function and subfunction	Outlays (millions) 1960	Outlays (millions) 1970 (estimate)	Percentage in- crease (+) or decrease (-)	Function and subfunction	Outlays (millions) 1960	Outlays (millions) 1970 (estimate)	Percentage in- crease (+) or decrease (-)
National defense:				Community development and housing:			
Department of Defense—Military:				Low- and moderate-income housing aids	\$145	\$1,153	+695.2
Military personnel (including retired personnel)	\$11,738	\$25,158	+114.3	Community environment	105	1,122	+968.6
Operation and maintenance	10,223	21,500	+110.3	Community facilities	18	200	+1,011.1
Procurement	13,334	21,550	+61.6	Concentrated community development		960	
Research and development	4,710	7,300	+55.2	Community planning and administration	-72	82	
Military construction and other	1,750	1,139	+34.9	Maintenance of the housing mortgage market	787	-469	
Deductions for offsetting receipts	-275	-140		Deductions for offsetting receipts	-11	(³)	
Subtotal, Department of Defense— Military	41,479	76,505	+84.4	Total community development and housing	971	3,046	+213.7
Atomic energy	2,623	2,461	-6.2	Education and manpower:			
Military assistance	1,631	495	-69.7	Elementary and secondary education	397	2,668	+572.0
Defense-related activities	244	119	-51.2	Higher education	272	1,395	+412.9
Deductions for offsetting receipts	-69	-150		Science education and basic research	120	490	+308.3
Total national defense	45,908	79,432	+73.0	Vocational education	39	266	+582.1
International affairs and finance:				Other education aids	58	434	+648.3
Economic and financial assistance	1,391	2,746	+97.4	Manpower training	4	1,368	+34,100.0
Food for Peace	1,458	971	-33.4	Other manpower aids	399	929	+132.9
Conduct of foreign affairs	214	396	+85.0	Deductions for offsetting receipts	-11	(³)	
Foreign information and exchange activities	137	237	+73.0	Total, education and manpower	1,286	7,538	+486.2
Deductions for offsetting receipts	-146	-237		Health:			
Total international affairs and finance	3,054	4,113	+34.7	Providing or financing medical services	146	10,582	+7,147.9
Space research and technology:				Development of health resources	554	2,142	+286.6
Manned space flight	113	2,355	+1,984.1	Prevention and control of health problems	58	542	+834.5
Space science and application	133	634	+376.7	Deductions for offsetting receipts	-2	-1	
Space technology	52	337	+548.1	Total, health	756	13,265	+1,654.6
Aircraft technology	72	180	+150.0	Income security:			
Supporting space activities	30	387	+1,190.0	Retirement and social insurance	15,597	37,106	+137.9
Deductions for offsetting receipts	(³)	-6		Public assistance	2,293	5,381	+134.7
Total space research and technology	401	3,886	+869.1	Social and individual services	88	1,347	+1,430.7
Agriculture and rural development:				Deductions for offsetting receipts	-1	-1	
Farm income stabilization	2,383	4,485	+88.2	Total income security	17,977	43,832	+143.8
Agricultural land and water resources	324	344	+6.2	Veterans benefits and services:			
Rural housing and public facilities	333	830	+149.2	Income security	4,054	5,950	+46.8
Research and other agricultural services	312	726	+132.7	Hospital and medical care	963	1,787	+85.6
Deductions for offsetting receipts	-29	-43		Education, training, and rehabilitation	531	1,000	+88.3
Total agricultural and rural development	3,322	6,343	+90.9	Housing	206	162	-21.4
Natural resources:				Other veterans benefits and services	187	266	+42.2
Water resources and power	1,241	2,325	+87.3	Deductions for offsetting receipts	-514	-484	
Land management	305	746	+144.6	Total veterans benefits and services	5,426	8,681	+60.0
Recreational resources	125	447	+257.6	General Government:			
Mineral resources	30	116	+286.7	Central fiscal operations	573	1,257	+119.4
Other natural resources programs	66	178	+169.7	Law enforcement and justice	263	772	+193.5
Deductions for offsetting receipts	-748	-1,325		General property and records management	351	631	+79.8
Total natural resources	1,019	2,485	+143.9	Legislative and judicial functions	158	364	+130.4
Commerce and transportation:				National Capital region	30	256	+753.3
Ground transportation	2,984	4,810	+61.2	Central personnel management	82	166	+102.4
Air transportation	568	1,290	+127.1	Executive direction and other general Gov- ernment	108	426	+294.4
Water transportation	509	919	+80.6	Deductions for offsetting receipts	-238	-253	
Area and regional development	120	717	+497.5	Total general Government	1,327	3,620	+172.8
Postal service	525	1,247	+137.5	Interest	8,299	17,821	+114.7
Advancement and regulation of business	193	597	+209.3	Allowances		475	
Deductions for offsetting receipts	-125	-144		Undistributed intragovernmental transactions	-2,297	-6,088	
Total commerce and transportation	4,774	9,436	+97.7	Total	92,223	197,885	+114.6
				Total outlays	83,929	176,152	
				Total	176,152	21,733	

¹ Entries net of offsetting receipts.² Excludes offsetting receipts which have been distributed by subfunction above.³ Less than \$500,000.

Source: U.S. Executive Office of the President. The budget in brief, fiscal year 1971, pp. 66-68.

Taking chart A first, we see that Federal expenditures for agriculture and rural development programs will actually decline by 13.7 percent from fiscal 1969 to fiscal 1971. Only space research and technology will experience a larger decline, and only national defense and international affairs and finances will experience declines. All other areas will experience increases ranging up to 92.8 percent for community development and housing. The total budget will grow from \$184.6 billion to \$200.8 billion, an increase of 8.7 percent. However, had the rest of the Federal Government followed the pattern of agriculture and rural development programs, total outlays in fiscal 1971 would be under \$160 billion—\$40 billion less than they are expected to be.

If we consider expenditures over the past decade, chart B shows that outlays for agriculture and rural development programs grew by 91 percent from 1960 to 1970. The only categories which increased by a smaller percentage were national defense, international affairs and finance, and veterans' benefits and services. Other programs experienced substantial increases: Natural resources up 144 percent; community development and housing up 214 percent; education and manpower up 486 percent; space research and technology up 869 percent; and health up a staggering 1655 percent. Total Federal outlays over the decade increased from \$92.2 billion to \$197.9 billion, an increase of 114.6 percent. Had the growth in the total Federal budget been restricted to the growth in agriculture expenditures, the fiscal 1970 budget would have been \$176.2 billion—\$21.7 billion below the level it is now expected to be.

The point I am attempting to make is with those critics of agriculture who contend that the Federal Government's expenditures for agriculture and rural development are excessive and therefore must bear a substantial share of the blame for the inflation we are now experiencing. Rather, I think it is clear that had the rest of the Government's expenditures followed the pattern of expenditures for agriculture and rural development, we would not be experiencing the inflation that has been upon us for the past few years.

Not only would we have been free of inflation, but just think how different our budget situation would be. Instead of experiencing deficits, we would have surpluses. Legislation to raise the limit of the national debt, such as we passed last week, would have been unnecessary. In fact, the debt could have been reduced. We would have been able to reduce taxes without raising economic havoc.

Gentlemen, the record of our expenditures for agriculture and rural development programs is outstanding for its modesty. When we seek to fix the blame for inflation, we are going to have to look elsewhere; it obviously does not rest here.

Mr. Chairman, many a housewife these days has been chagrined to look at her grocery bill and see a total that seems inordinately high. I imagine it is only natural for her to blame the farmer for

the increases that she sees. However, if one takes the time to look at the record, it is clear that this is not the case. In the first place, the food and fiber we consume has never been cheaper in relation to our cost of living. The average family spends only 16.5 percent of its income for food in the United States. Never has it been so low, and it is far ahead of what any other nation has achieved.

Furthermore, whatever increases have occurred in food costs have not been the result of increased prices received by the farmer. This becomes evident when one compares the parity ratios for 1960 and 1970. In 1960, it stood at 80; but by May, 1970, it had declined to 73. Two glaring examples of this are wheat, which declined from \$2.03 per bushel in 1960 to \$1.42 in 1970, and oats, which dropped from \$.78 per bushel to \$.64. While other commodity prices may have increased, very few have done so at a rate comparable to the rise in the housewife's food costs. Clearly, she has no justified grievance with the American farmer.

Inadequate prices for the food and fiber he produces has actually brought the American farmer close to the point of economic collapse. If he does not receive an equitable price for his product, he cannot long continue to produce the world's most abundant supply of inexpensive and high quality food and fiber.

Last year, discussing the fiscal 1970 appropriation bill for the Department of Agriculture, I said:

Agriculture is the base on which our society has been able to build the magnificent, complex economic structure we have today. Our industry and commerce that are able to supply us with a fantastic array of consumer and industrial goods would not be possible without the American agricultural system. Agriculture is truly the Atlas on which our rich and diverse economy rests.

Mr. Chairman, none of us can afford to allow this Atlas to collapse. The importance of the programs and activities funded by this bill to every American has not diminished over the years; in fact, they become more important each year.

It is my opinion that the committee's judgment in reporting this bill to you is well founded, and I heartily recommend it as it now stands for your approval.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. LANGEN. I should be glad to yield to my colleague from Iowa.

Mr. KYL. The gentleman from Mississippi and Minnesota have made splendid statements. Those who are not interested in agriculture particularly, but who demonstrate such a great interest in environmental quality and pollution control, should realize that siltation is still the greatest polluter of water in America. We are talking about spending \$1.25 billion on secondary treatment. We can give primary, secondary and tertiary treatment to municipal waste and then chlorinate the water after that and the chemicals, the nitrogen and the phosphate, which have naturally leached from the land to pollute the water, are still in that water. There is only one way to take care of the problem of

water pollution we have, and that is through the soil conservation program, which the gentleman from Minnesota has so ably supported.

Mr. LANGEN. I thank the gentleman for his very cogent remarks. Certainly they are pertinent.

Let me refer to one other item in that connection that bears great significance. We have restored funds for the ACP. As the gentleman has just stated, one of the real sources of pollution is that of siltation from the streams. Of all the programs that have long since started, the various projects of the ACP have proved particularly successful in reducing the problem of siltation. Consequently, the committee has seen fit to restore those funds at this time.

The committee has had the same regard for the Soil Conservation Service and the great amount of commendable work that that agency has done in improving the productivity of land and guarding against the extent to which we might be eroding the land and contributing to pollution and the many other problems of productivity that go along with it.

Mr. ZWACH. Mr. Chairman, will the gentleman yield?

Mr. LANGEN. I yield to the gentleman from Minnesota, my colleague.

Mr. ZWACH. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, it has been my privilege to read this report and I commend the gentleman in the well, my colleague, the gentleman from Minnesota, as well as the chairman of the subcommittee and the committee members for the really significant report they have made. We often listen in vain in these Halls for the really basic discussion of our fundamental industry of agriculture. In this report that is brought out.

Furthermore, in the fields of conservation and nutrition, and many other of the avenues, the committee has done a real service in bringing to the House the basic principles of agriculture and its importance to the people of our country.

Mr. LANGEN. Mr. Chairman, I thank my colleague, the gentleman from Minnesota, for those eloquent and appropriate remarks. I know about the gentleman's diligent service on the Agriculture Committee. He understands the problems of rural America and it is a compliment indeed when he recognizes the extent to which the bill before us contributes to rural America.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. LANGEN. I yield to the gentleman from Mississippi, my chairman.

Mr. WHITTEN. Mr. Chairman, I appreciate the statement of the gentleman from Minnesota.

At this time I just want to say this is a subcommittee. I do not know of any group that works more closely together, and I know of nobody who makes a greater contribution than the gentleman from Minnesota (Mr. LANGEN). In the stress of time I do not always take time to say those things, but the same thing applies to all the Members on both sides

of the aisle. It is a subcommittee that works together.

Mr. LANGEN. I thank the chairman for his very kind remarks. I believe this bill benefits every citizen of this country and ought to have the unanimous approval of this House. I recommend it to you on that basis.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may desire to the chairman of the Committee on Appropriations, the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Chairman, today we are considering a bill that affects everybody. Some of the legislation which we consider does not directly affect everybody in the United States and indirectly all of the people in the world, but this bill does—because everyone must eat to survive. So this bill is directly related to every citizen in this country.

The marvel of this century has been what agriculture has been able to do to provide food and fiber for the people at an extremely low cost. Of course, processing and transportation and other items may often run up the cost to the consumer, but the price paid to the producer is very, very small indeed.

Mr. Chairman, the report on this bill is, in my judgment, the best report that has ever been written on the subject of agricultural appropriations. On yesterday I commended the chairman of the subcommittee, Mr. WHITTEN, the ranking minority member, Mr. LANGEN, and other members of the subcommittee for conducting their hearings in such a manner and for preparing a report of such dramatic and striking quality on such highly significant matters.

I cannot believe that the Members of the House would want to try to write a new farm bill in this appropriation bill. As all of us know, the Committee on Agriculture is working on a regular farm bill. There is where the original version of the farm program for next year must be written.

We all know that the present farm program expires on December 31 of this year. I cannot believe that a majority of the Members of the House—regardless of their views as to what kind of new farm program we should have—will try to usurp the jurisdiction of the Committee on Agriculture and write a new farm program into this pending appropriation bill. It would be an act of futility and it would really be an outrage against one of the great legislative committees of the House.

(Mr. MAHON asked and was given permission to revise and extend his remarks.)

Mr. LANGEN. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois (Mr. MICHEL).

(Mr. MICHEL asked and was given permission to revise and extend his remarks.)

Mr. MICHEL. Mr. Chairman, first I want to pay my compliments to the distinguished chairman and ranking member of our subcommittee for doing an outstanding job, particularly in the preparation of this report. I wish that all of you would take the time to read it thoroughly, because it gives you in capsule

form the problem that confronts this country out on the farms and gives you a much better understanding, particularly if you are from a city or urban district, of the problems that have to be dealt with here.

Mr. Chairman, both the chairman and the ranking member of our subcommittee have in their presentations made the point as to how much of this bill, while charged to agriculture, is actually going for the benefit of all of the people. And, serving as I do as the ranking member on the Health, Education, and Welfare Subcommittee of the Committee on Appropriations—a bill which will be coming on this floor within another month—having to do with a myriad of problems, I am reminded anew of what is included in this bill directly benefitting those people that we commonly would think of as being taken care of in the Department of Health, Education, and Welfare bill.

Mr. Chairman, the biggest item contained in this bill is to restore the capital impairment of the Commodity Credit Corporation but the next largest item is \$1.25 billion for food stamps. I suspect that next year the request will be something in the neighborhood of \$2 billion. This is going to be a multibillion-dollar program in a few years, and with our providing free stamps for the most needy, I thought we ought to compute this cost into the welfare floor when we consider the welfare reform legislation. Furthermore this food stamp program now is practically blanketing the country, or will do so within a few months.

Then, Mr. Chairman, if we take the school lunch program we add another \$200 million, and the school milk program in the amount of \$104 million. There you have \$1,554 million that certainly could with no stretch of the imagination be charged up against agriculture, but has to be regarded as a program for all the people throughout the country, and practically all for the poor and needy.

Then, if you take the Extension Service that in the old days used to simply provide from our State universities' services out into the rural communities, we see these services now extended into the urban centers and ghetto areas of the country. The Extension Service in 1963 was in this bill for \$4.5 million. This year it is \$10.3 million. Why? To get these services delivered to the urban centers and ghetto areas.

Further, Mr. Chairman, the child nutrition programs which are over and above the school lunch and school milk programs are funded at \$131.7 million in this bill.

The consumer protection marketing and regulatory activities now total \$149.2 million, up \$15.6 million from last year, and these again are of principal benefit to the consumer public.

We have \$83 million in here for real estate loans through the Farmers Home Administration, an increase of \$37.5 million from last year's bill—and this is certainly not going for building luxury homes on the ranches of the bigger spreads around the country, but it is going for the smaller, low-income farmers around the country.

Take the research service as another item, while we are trying and attempting to produce more with higher quality—I would like to say that we are also accomplishing it at less cost, but such is not the case, for our farmers throughout the country are caught in a cost-price squeeze. The high cost of seed, the increasing cost of fertilizers, the skyrocketing cost of machinery—produced in the urban centers in the main—increased cost of fuel, labor, and marketing, and yet with all those increases the farmer seems to be getting just about the same as he did 10, 20, or even in some cases 30 years ago. But the cost to the consumer continues to shrink in terms of percentage of income one has to pay for food. I think now the latest figures show that a little more than 16 percent of the average American family's income, goes for food. Over in Japan I think it is something like one-third, and in the Soviet Union it is nearly half of one's income that has to go for food.

These are some of the things we ought to be talking about.

I suppose the real cost of our farm programs could best be reflected in the amount needed to restore the capital impairment of the Commodity Credit Corporation. That is the \$14.5 billion corporation which now requires a restoration of \$3.3 billion to bring its books in balance. That was the budget presentation. We actually, in this bill, have \$3,113,000,000 for that purpose. I suspect this could be termed a phoney or a paper cut in our bill, but from past experience we know the other body is inclined to fully restore that capital impairment. I suspect when this bill comes back from conference it might very well be fully restored. But that gives you, I think, in capsule form the cost of these agricultural programs over the past year. And if we get to the point of fully restoring the capital impairment of the CCC and enact a new farm bill I think it will be much easier to determine the actual cost of these programs in the next few years when we have once and for all finally balanced up the books of the CCC. I recall just 2 years ago, when we were funding in this bill the capital impairment item, it dated back to the years 1960 and 1961. When you are over 6, 7, 8, or 9 years behind in restoring that capital impairment, it is nigh impossible to try and figure out what each specific agricultural program is costing you. Now, I wonder how many people actually realize that we have approximately 3 million farmers in this country today, but 85 percent of the total agricultural output in this country is produced by only 12 to 13 percent or less of our farmers. Think of it.

I am reminded of the very interesting conversation I had with the gentleman from Minnesota (Mr. LANGEN), after his return from Australia recently, in which he recited the incident where two cotton farmers from this country are now producing practically all of the domestic requirements for the entire country of Australia.

Two American cotton farmers who found out how best to produce cotton efficiently and moving to a foreign country and producing within a year or two

all of that country's domestic requirement.

You know what that does to our export market?

Getting to the subject of limitation on payments, I understand that an amendment will be offered which will have to do with individual farmers rather than limitations on individual and specific crops. I think this in the first instance makes it completely unworkable and unmanageable.

I have fought limitations being imposed on the appropriation bills although I have been in sympathy with it when we have had the subject discussed on authorizing pieces of legislation. But going back again if you please to that few number of farmers who in the main produce the bulk of our agricultural commodities here, if we are going to have a control program, you cannot conceivably make it work unless you include the big operators with the small operators. Otherwise, you might as well toss any kind of control program out the window and let everybody produce everything that they want to. We know what kind of problem that got us into in some years past.

I am not unmindful of the fact that our friends in the news media, no matter how much we explain this thing—and we can take a half hour or an hour, to make the point—are still going to be telling the general public that these are outlandish payments; therefore, the whole program ought to be scotched.

I should like to make the point that we have gone back and forth on this thing two or three times. I have supported it in some measure on authorizing legislation and absolutely opposed it on appropriation bills.

The chairman said that the present act expires on December 31, 1970. I want to see a new farm bill enacted and this is going to be the last time I personally am going to oppose this limitation on an appropriation bill.

We have gone through this exercise about three different times. If we do not get something reasonable worked out as I think can be done on authorizing legislation, and we end up scuttling any attempt to get a new bill or end up simply reenacting the current program, next year I will have to take a different posture because I think I have been reasonable enough in providing the time to work this thing out.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman.

Mr. FINDLEY. Mr. Chairman, I am sure the gentleman would not want to leave the wrong impression about the amendment I intend to offer.

The amendment is so constructed as to make it clearly apply per person and per commodity and not per farm.

Mr. MICHEL. I thank the gentleman for correcting me on that particular point. I have not had an opportunity to read the gentleman's amendment very thoroughly.

(Mr. MICHEL asked and was given permission to revise and extend his remarks.)

Mr. MICHEL. Mr. Chairman, I want to make several other points with respect to the rural electrification program, the research program at the Peoria Regional Laboratory and other research and statistical items.

The appropriation bill for the Department of Agriculture and related agencies for 1971—H.R. 17923—as reported by the Committee on Appropriations provides for a loan authorization of \$322,000,000 for the rural electrification program and \$123,800,000 for the rural telephone program. These are the same amounts as President Nixon requested in his budget for 1971. In addition, the bill would create a contingency reserve of \$20,000,000, "to be made available by the Bureau of the Budget on the same terms and conditions to the extent that such amount is required during the current fiscal year under the then-existing conditions for expeditious and orderly development of the rural electrification and rural telephone programs."

This reserve was made available to provide REA with some flexibility of additional funds where deemed necessary by the Budget Bureau. It was not requested in the 1971 budget.

As the committee points out in its report this loan authorization will enable the Administrator to make new electric loans totalling \$345,000,000 in 1971. The Administrator told the subcommittee in its hearings that careful use of the budget request would permit the REA to meet the essential needs of the borrowers on an orderly basis in 1971. It would appear that the \$20 million contingency will assure that any unforeseen emergency can be cared for.

The hearings also revealed that requests for distribution facilities would represent the largest amount of unfilled loan applications that the REA will have pending before it at the beginning of 1971. In the subcommittee hearings the REA Administrator updated the December 31, 1969, estimate of pending loan applications so as to reflect the situation likely to exist on June 30, 1971. About \$630,425,000 of loan applications in the electrification program would be on hand as of this date—possibly \$100 million of these would be acted on by June 30, 1970, according to the testimony. Of this \$630 million total estimate presented by the Administrator, \$288,424,000 are loans for distribution facilities, while \$168,824,000 are estimated for generation and \$173,177,000 for transmission purposes. Consequently, the loan authorization provided in this bill should adequately meet all of the pending loan applications for distribution facilities with funds available to meet any critical generation or transmission requests.

The Appropriations Committee report reiterated again this year:

It is essential that generation and transmission loans be held to a minimum until the urgent needs for distribution are first met.

It points out appropriately that distribution borrowers can be supplied with wholesale power from available sources in the area but that other suppliers cannot, under State law and territorial

agreements, serve individual customers or distribution borrowers. One of the major reasons priority to distribution loans has been recommended by this committee is that individual customers of a borrower have no alternative means of receiving service, whereas distribution systems usually have several alternative sources of power.

The committee likewise suggests that the Administrator "give special consideration" to borrowers "with the lowest load density of customers and major problems." The committee for years has supported the concept of area coverage. Although 98.4 percent of the United States has central station electric power available, in sparsely populated areas, particularly those with severe weather conditions, there are major problems for rural electricity and rural telephones. In those cases, loans over a longer period of time might be in order to justify what might not otherwise be feasible.

Now we come to something which concerns me a great deal. It should concern every member of this body who believes that a loan contract between REA borrowers and the Government is a commitment to repay the Federal Treasury as scheduled unless the deferral of payments are requested to protect the Government's security in its loan.

The bill as presented to the full committee erroneously carried a provision, as permanent legislation, that after full assurance of fiscal integrity and security of investment the Administration could suspend for up to 3 years, its repayment provisions of any loan.

I want to make it perfectly clear that I do not agree with the language in our report which reads as follows:

The REA borrowers themselves are likewise seeking other means within their own organization to meet their obligation to their consumers. They are forming the National Rural Utilities Finance Corporation to commence operations this year. Whether this system works will have to await the action of the money markets.

Because of this, the Committee suggests language providing that where the financial condition of a borrower is sound and where the Government's interest is adequately safeguarded, the Administrator consider deferring repayments on outstanding loans for up to three years. Such action where necessary would enable the cooperatives to more fully subscribe the stock of this new lending institution.

The original bill contained no language concerning how this money might be used by the borrower during this 3-year period but the committee report inferred that this provision was recommended to provide borrowers with funds to purchase capital stock in the National Rural Utilities Finance Corporation. This then in effect would have amounted to a Federal loan at 2 percent interest to borrowers of funds that could be used by them to buy capital stock in this corporation. At a time when the yield on Federal long-term bonds recently has been over 6.8 percent a loan at 2 percent constitutes a significant subsidy.

This language as I mentioned, would have been permanent language in an appropriation bill. It would not have ap-

plied only to the loan authorization made available by this bill. It stated that it would apply to any loan "made pursuant to the cumulative rural electrification and rural telephone program authorization provided by law." In fact it would not be useful or meaningful if it applied only to loans made subject to the loan authorization contained in this bill because payments of interest and principal on all loans are deferred during the first 3 years.

This language was not requested by the Department of Agriculture, the REA Administrator, or by the Director of the Bureau of the Budget. Nor has it been approved by either of those officials.

It could have led to the deferral of a considerable sum of money. For example, the total amount of principal and interest due on debt obligations of REA borrowers—both programs—would amount to \$984,500,000 during the 3-year period including fiscal years 1971, 1972, and 1973. Of course, I am not alleging that under the terms of the original language in the bill that all of this amount could have been deferred or that all of the borrowers that might qualify would make such requests. I present this figure only to indicate the possible maximum magnitude of the funds that could be involved.

Because of the important problems raised by this language, I called this provision to the attention of the Bureau of the Budget. I received a letter from Mr. Robert P. Mayo on June 4, the morning the bill went to full committee, opposing suspension of repayments to the Treasury.

In this letter Mr. Mayo stated:

Based upon our understanding of this provision, such a provision could have serious adverse effects on Treasury receipts and result in a substantial increase in interest subsidy costs. This is due to the fact that Treasury borrowings at 6-plus percent would have to be continued for period of as long as three additional years in order to "carry" the 2 percent REA electric loans during this period.

Mr. Mayo is absolutely correct. This would in effect have provided a Federal loan with interest at 2 percent to REA borrowers thus permitting this to buy capital stock in the National Rural Utilities Finance Corporation—commonly referred to as CFC—while the yield on long-term U.S. bonds this year has been as high as 6.86 percent.

Mr. Mayo concluded this letter by recommending that the language in question should be deleted from the bill. He wrote:

In view of the foregoing, we believe the proposal being considered by the Committee should be deleted pending further review of the entire REA financing problem by the executive branch. If such a review shows evidence of a clear need to provide Federal assistance to the CFC, appropriate actions will be proposed.

The Committee on Appropriations saw fit to delete this language from the text of the bill. It was stated during our "markup" session that the permissive language would not change the Administrator's present authority. This probably referred to the fact that section 12 of the Rural Electrification Act as

amended permits the Administrator to extend the repayment period for up to 5 years—2 years facility loans. The purpose of section 12, however, was to permit deferral when the Government's security was in jeopardy, and certainly not to use such deferred funds to set up a new financing plan.

If Congress had included the language deleted from the bill it would have been a legislative mandate to the Administrator to defer loans so as to permit borrowers to more easily subscribe to the stock of the bank.

As our report now reads it appears to indicate that the Appropriations Committee would not oppose the Administrator if he desired to defer payments due from borrowers so as to enable such borrowers to use such funds to provide capital for the CFC, and I am opposed to this.

I desire to remind the Members here today that the Budget Bureau opposes this entire proposal of suspending repayment, however it may be accomplished, because "it would have serious adverse effects on Treasury receipts and result in a substantial increase in interest subsidy costs." This opposition of the Bureau is as applicable to the use of statutory language approved by Congress as it is to suggestions from the Appropriations Committee. Of course, with the language removed from the bill there is no question of Congressional disapproval of this proposal. Obviously the Director of the Budget speaks for the President, it is up to the Administrator as a part of the administration to follow the policy indicated by the Director. I am submitting the entire text of the letter of the Director of the Budget so that all Members of the House can consider it:

BUREAU OF THE BUDGET,
Washington, D.C. June 4, 1970.

HON. ROBERT H. MICHEL,
House of Representatives,
Washington, D.C.

DEAR MR. MICHEL: It has been brought to my attention that the Appropriations Committee is considering a provision for inclusion in the 1971 Appropriation Bill for the Department of Agriculture which would have the effect of a moratorium on electrification loan repayments in certain instances for a period of as long as three years.

Based upon our understanding of this provision, such a provision could have serious adverse effects on Treasury receipts and result in a substantial increase in interest subsidy costs. This is due to the fact that Treasury borrowings at 6-plus percent would have to be continued for periods of as long as three additional years in order to "carry" the 2 percent REA electric loans during this period.

We are aware of the need for additional funds by the REA electric borrowers and we have supported the establishment of the private bank, the so-called CFC. We also appreciate the fact that the provision outlined above would make it less costly for the REA electric borrowers to purchase capital participation certificates in the new bank by relieving them of their obligation to the Federal Government. However, the proposal has received no consideration in the executive branch, and we are inclined to feel that there may be other less costly ways of aiding the CFC.

In view of the foregoing, we believe the proposal being considered by the Committee should be deleted pending further review of

the entire REA financing problem by the executive branch. If such a review shows evidence of a clear need to provide Federal assistance to the CFC, appropriate actions will be proposed.

Sincerely,

ROBERT P. MAYO,
Director.

The committee has provided \$3,197,000 above the request that benefits may be received from the construction of the 15 new labs and five utilization laboratories. This amount will provide about 1,000 scientists and supporting staff.

This, of course, does not come anywhere meeting the need. In order to fully staff the Northern Utilization Research and Development Laboratory in Peoria, for example, 149 full-time employees at a cost of \$2,695,000 would be needed.

Often, when we do fund more positions the total staff is not increased. In fact in Peoria it has dropped from 451 on June 30, 1968, to an expected 430 on June 30 of this year. This comes about because the cost of research, equipment, supplies, services, and so forth, has gone up. Also budgetary decreases in the base fund program have been made.

The following is an example of what could be done if the lab was fully staffed:

PROGRAM NEED: (To COMPLETE STAFFING OF NEW WING) NORTHERN UTILIZATION RESEARCH AND DEVELOPMENT DIVISION, PEORIA, ILL.

Examples of high priority work (SMY—Scientist GS-11 or above, plus supporting staff for 1 year; annual cost estimated at \$55,000, including salaries, equipment, supplies, etc.):

CEREAL GRAINS

1. Reinforcement of rubber with starch, 5 SMY (\$275,000): (Increased emphasis, presently 3.4 SMY—potential benefit new market for 1.7 billion lbs. corn starch through replacement of higher cost reinforcing agents such as silicas, resins, and some carbon blacks for specialty rubber products—estimated benefit \$54 million).

2. Paper improvement with starch products, 6.5 SMY (\$358,000): (New research—increase speed on papermaking machines through increase of wet-web strength of sheet being formed, providing new market for 50 million lbs. corn starch—potential benefit \$22 million).

3. Fortification of cereal grains and food products, 4.5 SMY (\$247,000): (New, with some research background—to provide more nutritious foods for domestic use by fortification of cereal grains (except wheat) and derived food products with iron, calcium, and other vital minerals, essential amino and fatty acids, and protein and carbohydrate supplements).

4. Nutrient values of cereal grains and food products, 4 SMY (\$220,000): (New, with considerable research background—to facilitate public nutritional programs and improve nutrition and health by obtaining adequate, reliable information on the nutrient composition and nutritional quality of cereal grains (except wheat), their milled products and derived cereal foods).

5. Improved feed formulation technology, 4 SMY (\$220,000): (New, with some research background—development of rapid and comprehensive methods for protein and amino acid compositional analysis for computer-controlled feed formulation—potential benefit \$55 million based on saving of 1% cost of mixed feeds).

6. Flocculating agents, starch graft copolymers, 4 SMY (\$220,000): (Expansion, directed toward pollution abatement, based on extremely promising results of screening survey of products recently prepared in the

Laboratory—new market for starch through potential applications in disposal of water-borne wastes from mining, ore refining, etc.)

7. *Conversion of feedlot wastes to useful products*, 3 SMY (\$165,000): (New, based on expertise in fermentology and limited exploratory work—to reduce feedlot pollution by controlled composting of animal wastes to produce a superior, low BOD fertilizer or aesthetically acceptable nutritious animal feed).

OILSEEDS

1. *Linseed oil for improving concrete*, 4 SMY (\$220,000): (New phase of linseed oil work—to overcome deterioration problems with low-quality stone and gravel by pre-coating with linseed oil before mixing concrete, providing new market for 2.5 million lbs. oil—potential benefit \$288 million—if initial results are promising, effort will be increased).

2. *Soybean oil refining*, 3 SMY (\$165,000): (Increased effort directed toward pollution abatement based on promising results; presently 1.5 SMY—lower cost process for refining the oil with reduction of water pollution—potential benefit \$15 million).

3. *Nutrient composition of soybeans and soybean food products*, 4 SMY (\$220,000): (New, with considerable research background—to facilitate public nutritional programs and improve nutrition and health by obtaining adequate, reliable information on the content and biologic availability of nutritionally important constituents of soybeans and soybean food products).

4. *New lubricants from high-erucic seed oils*, 2 SMY (\$110,000): (New, based on exploratory studies—using such high-erucic oils as crambe and rapeseed, to produce better lubricants for airplane engines, other machinery, and other uses such as steel casting and rolling, new market for some 900 million lbs. oil from new crop acreage of over 1 million acres—potential benefit \$36 million).

NEW CROPS

1. *Discovery and evaluation of new vegetable gums*, 2 SMY (\$110,000): (New, based on limited screening work, subject to increase later—new crops to meet expanding industrial needs for hydrocolloids, eliminate dependence on imports of gums having variable quality and price, and providing for such applications as oil well drilling, papermaking, textile processing, mining and ore flotation, and numerous food-thickening uses—potential benefit \$17 million).

2. *Improved processing of kenaf for papermaking*, 3 SMY (\$165,000): (Increased emphasis, present effort 1.1 SMY—to provide a new farm crop and more effective use of farm acreage through development of a satisfactory and practical sequence of operations to process kenaf, an annual pulp source, to fully acceptable commercial-grade papers, thereby filling the need for a supplement to the diminishing supply of Southern hardwood pulpwood—potential benefit \$16 million).

Summary of examples

SMY:

Cereal grains (31)-----	\$1,705,000
Oilseed crops (13)-----	715,000
New crops (5)-----	275,000
Total (49)-----	2,695,000

Turning to our problems of disease with our pigs and hogs, TGE or transmissible gastroenteritis, a disease which affects pigs only a few weeks old, is becoming a real problem throughout the Nation's pork belt. The committee has recommended that the economic losses faced by the hog industry as a result of TGE justify additional emphasis enabled by the research contingency fund. This disease wipes out entire pig crops.

The committee has also included some \$500,000 for hog cholera eradication. By January 1973, we are hopeful that we will have eradicated this disease in this country. State programs are reaching a stage where an all-out effort is being made to eradicate the disease. During the remainder of this time we expect to be faced with additional needs for indemnity payments due to comprehensive investigations of each outbreak and tracing all movements from them.

And finally, Mr. Chairman with respect to white corn production, our committee has included \$100,000 to provide estimates of white corn production.

There has not been a national white corn survey since about 1946. Within recent years, particularly the last 2 years, the value and the price of white corn has been going up and fluctuating inordinately. There is a rising demand and apparently the big reason for the rapid fluctuating is due to lack of knowledge of acreage and supply.

Farmers do not have the information enabling them to get the price they ought to be getting. They do not know if they should hold it or sell it right away or shift to white corn production from yellow corn.

Processors say they do not know enough about current or prospective supplies to help stabilize the price.

The program will include an annual cycle of three surveys in 18 States: Ohio, Indiana, Illinois, Iowa, Missouri, Nebraska, Kansas, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Kentucky, Tennessee, Alabama, Arkansas, Texas, and California.

Mr. MIZE. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I am happy to yield to the gentleman from Kansas.

(Mr. MIZE asked and was given permission to revise and extend his remarks.)

Mr. MIZE. Mr. Chairman, first let me congratulate the distinguished gentleman from Mississippi (Mr. WHITTEN), and the members of his subcommittee for an excellent and comprehensive agriculture appropriations bill.

I have reviewed this legislation carefully, and feel that the subcommittee has cut costs where possible, while providing adequate funds for those programs that are vital to all Americans, and particularly, rural Americans.

When I testified before the agriculture appropriations subcommittee in behalf of essential conservation programs, I emphasized the fact that soil and water conservationists have been frontline troops in the fight against pollution for three decades. I am delighted, Mr. Chairman, that the committee report has chosen to emphasize the antipollution aspects of soil conservation as well.

The legislation before us today obligates over \$694.7 million for pollution research, abatement, and control programs of the U.S. Department of Agriculture. Of first rank among these programs is the agriculture conservation program, or ACP.

All of us from rural America known of the inestimable value that ACP has been to our constituents. The \$195 mil-

lion devoted to ACP for fiscal year 1971 will continue vital soil and water conservative efforts that have preserved hundreds of millions of acres from destruction, and hundreds of streams and lakes from silt and chemical pollution in past years.

Let me just add this note, Mr. Chairman. The report from the committee on this bill is a classic statement of the position of agriculture in our national economy. It is a classic statement of the board range of responsibilities that USDA discharges with competence on behalf of all Americans, urban and rural. This may be an agriculture appropriations bill, but it funds programs that keep meat and produce at the highest standards of cleanliness for all consumers—urban and rural. Wholesome food is but one of a multitude of services that the Department quietly performs with funds provided in this bill.

Countless millions in distant countries have been saved from starvation and famine in years past, because agricultural research conducted by employees or on contract has developed higher yielding varieties of life-giving commodities, and better all-around agricultural practices. Through Public Law 480, countless millions have been supplied with food in times of crisis and chronic need. This legislation, Mr. Chairman, is therefore the most genuinely humanitarian work of the Congress in any session.

The committee report should be required reading for each and every concerned American. It is perhaps the best statement on modern agriculture and agricultural appropriations that has ever been written.

I congratulate the gentleman from Mississippi for his record of public service and for his leadership. I congratulate the chairman, and all the members of his subcommittee, for the priorities they have established and pursued in this legislation are priorities of a compassionate, concerned, and enlightened Nation.

I urge all Members to support this important measure.

Mr. WHITTEN. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky (Mr. NATCHER), the ranking member of the committee.

Mr. NATCHER. Mr. Chairman, the Subcommittee on Agriculture of the Appropriations Committee once again brings to the floor of the House for your approval the annual appropriations bill for the Department of Agriculture. We recommend a total appropriation of \$7,406,188,150 for the fiscal year 1971. This is a reduction of \$125,587,350 in the total budget requests which call for \$7,531,775,500. The total new budget obligatory authority for the Department of Agriculture for fiscal year 1970 totaled \$8,037,098,150.

Mr. Chairman, more than one-half of the total amount recommended in this bill applies directly to benefits for the consumer.

The American farmer is in trouble today, Mr. Chairman, and certainly this is not the time for us to turn our back on agriculture. In considering the question of prosperity insofar as agriculture is concerned, we must keep in mind that the

average capital investment in farms today is about \$85,400. The average farm investment has increased nearly 10-fold in the past 25 years from \$6,158 in 1940 to the present sum of \$85,402. We also know that the average return on farm equities has dropped more than 50 percent during this period. The drop is from 7.1 percent in 1945-49 to 3.1 percent in 1968. This gives us a better understanding as to why fewer and fewer people are remaining on the Nation's farms, and why some 5 percent of our population on the farms is now feeding the other 95 percent in addition to themselves.

An average of nearly 800,000 people have left the farms in each of the last 5 years. The farm population has decreased to about 10 million today as compared to more than 2½ times that number in 1950. The total land in farms in 1950 was 1.2 billion acres as compared to 1.1 billion acres in 1965 which is a reduction of 100 million acres. The average size of a farm increased from 213 acres to 373 acres in that period.

Today a great many of our young people on farms have no chance to get started in agriculture unless they either inherit a farm or succeed in borrowing a large sum of money to invest in land which is adequate for a livelihood.

One way to assist agriculture is to keep our good farmland in production. Our soil conservation programs, our ACP programs, and our research programs generally will be of assistance to us in carrying out such a program.

In order to remain strong we must have on hand certain surplus commodities to meet any and all emergencies. Not in excess, but in an adequate amount. As long as our surplus commodities are manageable then we are in good shape. When the opposite confronts us certainly we must do something about it.

Agriculture is our largest industry. Its assets exceed those of any of the next 10 largest industries. Agriculture employs more workers than any other major industry and, in fact, employs seven times the number of people in the mining industry, 23 times the number in the coal and oil industry, and five times the number in the automobile industry. Agriculture is one of the major markets for the products of labor and industry. It spends more for equipment than any of the other large industries. Agriculture uses more steel in a year than is used for a year's output of passenger cars. It uses more petroleum products than any other industry in this country. It uses more rubber each year than is required to produce tires for 6 million automobiles. Its inventory of machinery and equipment exceeds the assets of the steel industry and is five times that of the automobile industry.

Our farmers' assets now are approximately \$305 billion.

In 1950 the farmers' share of the retail food dollar was 47 cents. Today it is down to 41 cents.

Our American farmers know how to produce and today our country is the world's largest exporter of food to the other nations of the world.

Three-fourths of our land area is in private ownership and 60 percent is in farms and ranches. We must keep in mind that 70 percent of our people now reside in our cities and they occupy only a small percentage of the land in this country.

If our country is to survive and prosper we must continue to be interested in and to assist when necessary our custodians of the natural resources in this country. We must reforest our lands, protect our watersheds, harness our streams for electricity, and conserve our soil and water. It is imperative that we leave to the future generation a fertile land and a land sufficient to produce food for our people. Mr. Chairman, as you well know, in this country, today we have 204 million people.

In this bill, Mr. Chairman, we recommend the sum of \$146,143,200 for research. We further recommend \$98,619,750 for plant and animal disease and pest control.

The total amount recommended for Agricultural Research Service is \$249,762,950.

We recommend \$65,076,000 for Cooperative State Research Service.

For our Extension Service we recommend \$161,351,000.

For our Soil Conservation Service we recommend a total of \$268,884,000.

For economic research, Mr. Chairman, we recommend the sum of \$14,592,000. The sum of \$17,716,800 is recommended for Statistical Reporting Service.

For Consumer and Marketing Service we recommend the sum of \$150,847,000.

For our special milk program, which as you know, Mr. Chairman, was deleted, we recommend the amount of \$104,000,000 and insist that this program be restored. For child nutrition programs we recommend \$90,395,000 along with the necessary transfer from section 32 funds of \$238,358,000 which then makes a total of \$328,753,000 for child nutrition programs. We recommend \$1,250,000,000 for our food stamp program. Here we have a right good example, Mr. Chairman, or a large sum of money which the consumer is very much concerned about in this country. We recommend \$27,140,000 for Foreign Agriculture Service. For Commodity Exchange Authority we recommend \$2,552,000.

We recommend the sum of \$221,469,000 for Agricultural Stabilization and Conservation Service.

For a period of over 10 years now, Mr. Chairman, we have been confronted with either reductions or total deletions as far as amounts and authorization for our agricultural conservation program is concerned. This year was no exception to the rule. We restore and recommend advance authorization for our agricultural conservation program in the sum of \$195,500,000. For the cropland adjustment program we recommend \$77,800,000. This then makes a total of \$514,590,000 for Agricultural Stabilization and Conservation Service.

We recommend \$3,508,650 for Packers and Stockyards Administration.

The full budget estimate of \$322,000,-

000 in new authorization is recommended for Rural Electrification and the full budget estimate of \$123,800,000 is recommended for telephone loans. These new authorizations, together with carryover funds will enable the Administrator to make new loans of \$345,000,000 and \$125,000,000 respectively.

In addition, Mr. Chairman, we recommend \$20 million over the budget estimate to be placed in budgetary reserve and released by the Bureau of the Budget to either the electric or telephone programs when necessary. This, as you know, Mr. Chairman, is equal to the \$20 million placed in budgetary reserve and not released in fiscal year 1970. Failure of the Bureau of the Budget to release this \$20 million was a serious mistake.

Mr. Chairman, as you well know, our Soil Conservation Service is more important today than at any time in the history of this Service. When we consider the need for more food and fiber and keep in mind that some of our best land is now being used for airports, interstate highways, subdivisions and for recreation purposes generally, we must preserve as much of our best land as possible and at all times have tillable land in production which will produce enough food for our people. Today in our country we have in cultivation some 385 million acres. Of course, the acreage in cultivated crops varies from year to year, due to changes in land use. We have today some 289 million acres in crops harvested, 7 million acres of crop failure, 37 million acres of fallow, and some 52 million acres in grasses and lagoons. The situation is serious today, Mr. Chairman, from the standpoint of the loss of great quantities of our best farmland and certainly now is the time to correct this situation.

In closing, Mr. Chairman, I want you to know that I am definitely of the opinion that we still have serious problems in agriculture and again I want to say that this is not the time to turn our back on the American farmer. The interest of the consumer, of course, must be protected and at the same time we must see that the American farmer receives a fair price for his produce.

As a member of the Committee on Appropriations I serve on three subcommittees. We have 13 subcommittees on our Committee on Appropriations. I am No. 2 on each of the subcommittees of Agricultural Appropriations and Labor, Health, Education, and Welfare, I am the chairman of the third subcommittee that I serve upon and that is the District of Columbia Budget Subcommittee. My assignment to the Agricultural Appropriations Subcommittee is one of the most important assignments that I have as a Member of Congress, and, Mr. Chairman, all down through the years it has been a distinct honor and privilege for me to serve on this particular subcommittee.

Mr. Chairman, our committee recommends this bill to the Members of the House.

Mr. LANGEN. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. ROBISON).

(Mr. ROBISON asked and was given permission to revise and extend his remarks.)

Mr. ROBISON. Mr. Chairman, the times when the Federal Government has simultaneously pursued programs and policies that overlap, compete, or are inconsistent with one another are probably too numerous to list or for anyone to recall. It goes on all the time, but becomes of particular concern to us—or at least it should—during periods of enforced budgetary stringency such as we are now experiencing.

But, whether we sail stormy or smooth economic seas, it is just plain absurd for our Federal Government to initiate and conduct programs which aim at mutually exclusive objectives.

We have, today, just such an absurd situation before us.

On the one hand, Mr. Chairman, through this bill and by virtue of other existing legislation we support tobacco prices, acreage retirement, and export subsidies, while at the same time—through other appropriation bills and other existing legislation—we channel substantial sums of moneys into research to determine, if we can, the true relationship between smoking and cancer, and the harmful effects of tobacco on the human heart and respiratory system.

While some object to this dichotomy on moral grounds, I—as a pipe smoker who has stopped even that use of tobacco on several occasions and hope some day to finally win that battle with myself—can only object to it as being fiscally illogical, but illogical in the extreme.

How so?

Well, Mr. Chairman, I have had to gather my figures rather hastily, and perhaps stand to be corrected as to some of them. But, to the best of my knowledge, the cost of tobacco price supports during the 1969 fiscal year was \$4.9 million. Additionally, so I understand, each year the Department of Agriculture pays for the grading of tobacco leaf at a cost of about \$3 million. Then, since a significant amount of our tobacco is exported—but since the world price is lower than the U.S. price—there are export subsidies, amounting again in the 1969 fiscal year to about \$28 million. These direct expenditures need, however, to be put in further perspective—running as they do at between \$36 and \$50 million a year, depending upon whose figures are used—by reference to the further fact, as I understand it, that the Federal Government presently has more than \$750 million in loans outstanding from the Commodity Credit Corporation to support the price of tobacco, which effort cannot be wholly self-supporting.

At the same time, then, while spending these large sums of money, we are financing with tax dollars efforts not only to determine how to make a non-harmful cigarette, but also to determine how to cure diseases caused or complicated by smoking. The Department of Agriculture, again as I understand it, itself spends some \$7.8 million a year for research in this area, not to mention the \$6 million or so a year spent through the Department of Health, Education, and Welfare for the same general purposes.

Besides which, the Federal Government has rightly or wrongly taken the position that smoking is harmful—witness the warning now on cigarette packs—and large sums of private moneys are spent, each year now, in advertising against cigarette smoking.

It is not incongruous for us to support the price of a commodity which we, ourselves, say is harmful—or can be harmful—to those who use it?

I am not unaware of the financial problems that would be created in certain States if tobacco price supports were to be eliminated. The loss of Federal moneys always has such an effect. However, it seems to me that the arguments in favor of eliminating price supports substantially outweigh those favoring continuation thereof.

To lessen the economic impact of a cutoff of funds, I—for one—would endorse a gradual reduction of supports over a period of 4 or 5 years, thereby giving the tobacco farmers and the industry an opportunity to shift to other products, or other endeavors, if they could not economically continue tobacco production. And, parenthetically, it is interesting to note that the industry, itself, looking at the handwriting on the wall, has already begun to shift its attention to other areas.

So, as I say, Mr. Chairman, this notion of expending moneys simultaneously for two contradictory programs or purposes strikes me as being both fiscally irresponsible and philosophically inconsistent. And it is my belief that this dichotomy ought to be resolved by the systematic reduction of moneys spent for price supports and tobacco promotion.

I would introduce an amendment to this bill to accomplish such a goal if I were expert enough—as I am not in agriculture matters—to draft it properly, and if I did not feel that, even then, a parliamentary objection might well lie against it.

However, I will surely be glad to work with any of my colleagues who may be interested in this subject in sponsoring such an amendment to the pending farm bill—if, and when, such a vehicle is brought before us this year.

For to continue to support tobacco—by means of price supports, free grading, export subsidies, and advertising—is in direct conflict with our growing knowledge of the probable harmful effects of smoking and our expenditures, both public and private, to try to prevent such harm.

Surely, the time to remedy this inconsistency is long overdue.

Mr. NATCHER. Mr. Chairman, will the gentleman yield?

Mr. ROBISON. I yield to the gentleman from Kentucky.

Mr. NATCHER. Mr. Chairman, I would just like to point out to the gentleman in the well and to the Members of the committee the fact that the tobacco industry in this country is a \$10 billion industry. The tobacco industry pays into the Federal, State, and local treasuries a little more than \$4 billion in taxes each year.

A number of years ago, I say to my distinguished friend, a member of the

Committee on Appropriations, we decided on this subcommittee to find out if tobacco was harmful to the health of our people, and starting in 1958 we have made small requests for additional funds for research.

I talked with the Governor of the Commonwealth of Kentucky, and asked him if he would have the legislature appropriate the necessary money to build a building which would be used for research. This established a precedent because the Federal Government not only has to build the facility for research but has to appropriate all the money as a general rule.

The Commonwealth of Kentucky appropriated money for and built a building costing \$4.5 million to be used for tobacco research. We have a small amount in this bill for research and my home State recently passed a law that will provide about \$2 million for this purpose.

In the year 1964, Dr. Terry, the Surgeon General of the United States, appeared before the Committee on Agriculture and I would like to tell you what he said upon issuing the report on smoking and health. He said, upon being questioned:

When you burn tobacco and spinach you have the same result—when you burn tobacco and spinach.

That is what he told the Committee on Agriculture. He said:

We do not know for sure.

And when questioned carefully admitted that no specific research project established a connection between tobacco and cancer.

I serve on the Subcommittee on Labor and Health, and the Surgeon General has been examined each year concerning this subject and we receive the same answers. I say to the distinguished gentleman in the well that we asked the Surgeon General, why he pointed his finger at tobacco.

We asked:

What specific research program do you have underway at this time which shows tobacco is harmful to the health of our people and is causing cancer?

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. WHITTEN. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. NATCHER. Mr. Chairman, will the gentleman yield?

Mr. ROBISON. I yield to the gentleman from Kentucky.

Mr. NATCHER. He could not answer the question.

I want the Members of the Committee to know that the people in the States of Kentucky, North Carolina, Tennessee, Alabama, Virginia, and all the other States—21 of them—that produce tobacco want to know if tobacco is harmful to the health of our people. If it is we want to do something about it. Now, Mr. Chairman, not 10 years from now.

I say to my distinguished friend in the well, all we ask you to do is to give us a chance. The same applies to any other commodity.

I say to the gentleman frankly, when we talk about destroying a \$10 billion

industry and one which pays into the Federal, State, and local communities \$4 billion in taxes, it is a right serious matter.

I understand my friend's position, and I want to say to him that we are going to continue our efforts in Kentucky and in all of our tobacco States to follow this matter carefully.

Mr. Chairman, thank you very much.

Mr. ROBISON. I appreciate the gentleman's comments and I understand his concern, but I am not sure at all in my own mind that the reduction of or the gradual elimination of tobacco price supports would "destroy" that industry. That certainly is not my objective.

My objective was and is to point out the inconsistency of our going two directions here at once, and to encourage some early resolution by all concerned of that seeming inconsistency.

Mr. WHITTEN. Mr. Chairman, I yield myself 2 minutes.

Certainly the good intentions and the contributions made by my colleagues who preceded me are fully appreciated. I do not know of two finer people who have the welfare of the people more at heart than they do.

If I could have the attention of the gentleman from New York, I should like for him to listen to this. He used the word "inconsistency."

I assure the gentleman that this is an appropriations subcommittee rather than a legislative committee. The fact is that price supports are made available only for reducing or restricting the production of tobacco. If we were to take the price support away the chances are this would triple the production of tobacco.

History shows that if one reduces the price—and there is no question about it—the producer, trying to offset that loss of income through the reduction in price, will increase his production. If his price is cut, he increases the volume.

I appreciate the gentleman's frankness in saying that he had not studied the mechanics of this. I would point out that the mechanical proposition of the thing he directs attention to, which is the price support, as a practical matter would result in greatly increased quantity.

What we need to do is to find out what the element is, if there be an element, which is causing a health hazard, and correct it. If there is not, we should do something legislatively, to see if tobacco is being used in excess.

I am saying, to strike at the price would have the opposite effect from reducing quantity. If we want to slow down total consumption, that is one thing; if we should reduce the price, it would greatly increase the production.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. WHITTEN. Mr. Chairman, I yield myself 1 additional minute.

Mr. ROBISON. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from New York.

Mr. ROBISON. I appreciate the gentleman's yielding so that I can respond.

My purpose is not to try to present or even suggest a solution to the problem here before us.

I merely want to point up again that there is a problem and that we ought to continue to recognize that problem and the appropriate committees, including this committee, ought to focus their attention on this problem.

Mr. WHITTEN. I want to say that there is no fairer person than my friend from New York.

Mr. ROBISON. I thank the gentleman.

Mr. LANGEN. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. FINDLEY).

(Mr. FINDLEY asked and was given permission to revise and extend his remarks.)

Mr. FINDLEY. Mr. Chairman, the distinguished chairman of the subcommittee in his remarks earlier described as ridiculous the proposal I have made which would affect a \$20,000 per commodity limitation on total payments to any farmer. Well, in the realm of ridiculous, I would like to call the attention of this body to section 508 of the bill which appears on page 39 and reads as follows:

No part of the funds appropriated in this Act shall be used to change any price support program payment or payments, or commodity loan or loans in any manner, the effect of which is to modify substantive law.

Then over in the committee report on page 51 by way of explanation to the curious provision is the line:

A new section 508 has been added to the bill clarifying its relationship to general farm legislation which must pass in this legislative session.

Now, speaking of ridiculous, I just wonder whether that word might be applied to this unusual provision. Nothing like it has ever appeared in an Agriculture Appropriation Act before, and I just wonder if there might be a little devilish thought involved here to try to thwart the will of the House with regard to payment limitations.

Could the gentleman clarify that?

Mr. WHITTEN. I do not believe I have ever found out how to thwart the will of the House.

Mr. FINDLEY. It looks like an impressive effort.

Mr. WHITTEN. I am glad the gentleman recognizes it as a little unusual and a rather round statement. I believe this language is written in proper form and the language is in proper place and in the proper part of the bill, and it was written by the subcommittee and approved by it. I thought that was the way to handle legislation.

Mr. FINDLEY. It is an interesting contribution to an appropriation bill. I suppose, if it succeeds, it is not really so ridiculous after all.

Now, also on the point of ridiculous, when you consider a \$20,000 payment limit as ridiculous, I wonder how you would describe the payment in 1969 to the U.S. Sugar Corp. of Florida in the amount of \$1,181,195. I would say from the standpoint of the poor suffering taxpayer extracting a sum of that kind out of the U.S. Treasury and handing it to one sugar corporation certainly is bordering on the ridiculous. In

the same category there was a payment to the Hawaiian Commercial & Sugar Corp. for a payment in 1968 of \$1,311,268. I would think payments of that sort, at that level more deserve the word ridiculous than an amendment which would put a ceiling of \$20,000 per commodity per person on the payments under a program authorized or funded by this act.

The distinguished chairman of the Committee on Appropriations in his remarks arguing for this appropriation and against any limitation said that this bill affects everybody. Well, it affects every congressional district in the Nation. I believe that is very plain. But it affects some people in some congressional districts a little more than others.

Let me illustrate. The 19th District of Texas, with which I am sure the chairman of the Appropriations Committee the gentleman from Texas (Mr. MAHON) is familiar, in 1969 received payments of \$110,374,230. Now, that is the third-ranking congressional district in the Nation in terms of total receipts for farm payments for that year.

Now, Mr. Chairman, my district in Illinois is among the 50, it happens to be No. 49, and just to illustrate the point that this bill affects some districts more than others, let me point out that the total payments in the 20th District of Illinois in that same year were \$22 million as contrasted with \$110 million. Further, let us assume that there are a lot more farmers in the 19th District of Texas, but the 1964 farm census showed 9,782 farms in the 19th District of Texas and a grand total of 16,103 in the 20th District of Illinois.

One of the concerns that has been expressed by the Department of Agriculture and by some Members of this body is that the administration of the farm program payment limit is a difficult item for the Department of Agriculture.

First, difficulty in administration of an item is no valid reason for this body to fail to act when the need, as apparent as the need for placing limitations on giant farm program payments is, becomes apparent. There are many programs which are difficult to administer that are being conducted and operated by the Federal governmental departments daily. To say that the farm program payment limitation would be an unusually difficult task for the Department of Agriculture to administer is to indicate a genuine lack of knowledge of the fact that there has been or currently are at least five farm program limitations administered by the Department of Agriculture.

The first of these payment limits is the conversation reserve of the soil bank from 1956 to 1960. This program had an administrative limitation of \$5,000 per person for all farms for 1 years. By the end of the term of this program the administration of its was perfected to a fine art. Much has been said about "slippage" or the fact that a number of large farmers will make considerable attempt to evade the provisions of any payment limit. I cite here language supplied me by the U.S. Department of Agriculture.

ture's General Counsel's office relating to the limitation on payments of the conservation reserve as the most effective and well developed set of definitions regarding who a person or producer is for purposes of administration of the act. The provisions developed by the Department of Agriculture to administer the conservation reserve payment limit provide an excellent pattern or set of guidelines for administration of the farm program payment limit which I am offering for consideration today. I insert here section 485.521, "Limitation on Payments," taken from the conservation reserve program regulations, and reprinted from the Federal Register of October 3, 1959:

§ 485.521. Limitation on payments.

(a) The total of all annual payments under the conservation reserve program to any producer for any year with respect to all farms in which he has an interest shall not exceed \$5,000.00. All or any part of the annual payment which otherwise would be due any producer shall be withheld, or required to be refunded, if he has adopted, or participated in adopting, any scheme or device, including the dissolution, reorganization, revival, formation, or use of any corporation, partnership, estate, trust or by any other means designed to evade, or which has the effect of evading the provisions of this section. A family trust created on or after August 16, 1966, will be considered a scheme or device to evade the provisions of this section if it results in the settlor and beneficiaries of the trust receiving in the aggregate annual payments under the Conservation Reserve Program for any year of the contract period in excess of \$5,000. For purposes of this provision, members of the family include husband or wife of the settlor, children of the settlor, their husbands and wives, and members of the immediate household of the settlor; and payments to a trustee shall be regarded as payments to the beneficiaries of the trust. For purposes of this section, a family shall include grandchildren of the settlor, step-children of a child of the settlor, and any minor related to the settlor by blood or marriage.

(b) For purposes of applying the payment limitation prescribed in paragraph (a) of this section, the rules contained in subparagraph (1) through (6) of this paragraph shall be effective to determine whether certain individuals interested in farming operations as landowners, landlords, tenants or sharecroppers are to be treated as one producer or as separate producers. In cases in which more than one rule would appear to be applicable, the rule which is most restrictive on the number of producers shall apply.

(1) A partnership shall be considered as a producer. Individual members of the partnership may be recognized in another capacity as landowners, landlords, tenants, or sharecroppers, on the same farm or another farm only if (i) the individual members operating in a separate capacity are not identical with the membership of the partnership, and (ii) the individual members also operated as separate producers or in a separate capacity as producers on the farm during 1959.

(2) A corporation or association shall be considered as a producer. A stockholder who owns a majority of the stock of a corporation shall not be considered as a separate producer on the same farm nor recognized in any other capacity on the same farm as a landowner, landlord, tenant, or sharecropper.

(3) An estate or trust shall be considered as a producer unless the estate has only one heir or the trust has only one beneficiary, in which case only the sole heir or the sole

beneficiary shall be considered as a producer. Subject to the provisions of paragraph (a) of this section, an individual who is not the sole heir of the estate or the sole beneficiary of the trust may be considered as a separate producer or recognized in a different capacity as landlord, landowner, tenant, or sharecropper, on the same farm or on another farm, provided such separate producer status is established to the satisfaction of the county committee.

(4) Two or more individuals operating as a group under an arrangement which, although lacking the legal elements of a partnership or corporation, is in the nature of a joint undertaking shall be considered as a producer. (Clubs, societies, fraternal and religious organizations, as well as informal arrangements between two or more individuals, are examples of such groups.) Individual members of the group shall not be considered as separate producers on the same farm nor recognized on the same farm in any other capacity as landowners, landlords, tenants, or sharecroppers.

(5) Husband and wife shall not be considered as separate producers nor recognized in any other capacity as landowners, landlords, tenants, or sharecroppers, on the same farm or on different farms. Other individuals having any family relationship may be considered as separate producers if they are participating on different farms. Such individuals may be considered as separate producers on the same farm or recognized in different capacities on the same farm as landlords, landowners, tenants, or sharecroppers only if such individuals operated as separate producers or in separate capacities during 1959.

(6) Individuals having a joint or common interest arising out of their interests in the ownership of any part of the farm as joint tenants, tenants by the entirety or tenants in common shall not be considered as separate producers on the same farm nor recognized in any other capacity on the same farm as landlords, landowners, tenants or sharecroppers.

The second program limitation is a statutory limit of \$3,000 per producer for all crops produced in 1958 as part of the acreage reserve program of the soil bank. I quote here that limitation as contained in Public Law 85-118:

That no part of this appropriation shall be used to formulate and administer an acreage reserve program which would result in total compensation being paid to producers in excess of \$500,000,000 with respect to 1958 crops, or in total compensation being paid to any one producer in excess of \$3,000 with respect to 1958 crops.

The third payment limitation I cite is the \$50,000 per person price support limitation for any one commodity annually for field crops in surplus. This was a legislative limitation. Section 477.101 of the agricultural credit provision of the \$50,000 payment limitation on non-recourse price support for the 1960 crop—reprinted from the Federal Register of February 5, 1960—reads in part:

No part of the authorization for Commodity Credit Corporation for the fiscal year 1960 shall be used to formulate or carry out a price support program for 1960 under which a total amount of price support in excess of \$50,000 would be extended by Commodity Credit Corporation to any person on the 1960 production of any agricultural commodity declared by the Secretary to be in surplus supply.

The cropland conversion program in operation in 1963 to 1965 contained an administrative limit of \$10,000 per pro-

ducer annually. Section 751.64 of chapter 7, title 7 of that program reads, in part:

The maximum adjustment payment to all persons with respect to the farm or ranch under an agreement shall be \$10,000 for the entire period of the agreement. The Deputy Administrator may establish a different limit where two or more farms are combined into a farming or ranching enterprise which effectuates the purposes of the program. All or any part of any adjustment payment which otherwise would be due may be withheld or required to be refunded if any scheme or device has been adopted which has been designed to evade, or which has the effect of evading, maximum adjustment payment limitation.

The fifth and final payment limitation is one which as occurred frequently over the years and in relation to the Agricultural Conservation Program limitation of \$2,500 per person which has been written into the appropriations bill. Public Law 91-127 of November 26, 1969 reads, in part:

Except that no participant shall receive more than \$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve agricultural resources of the community.

From these very brief examples it is easy to determine that the Department of Agriculture has the background, the experience, and no doubt the staff to carry out effective payment limitations which will result in a minimum of evasion on the part of large farm operators.

On May 14, 1970, I placed in the Record a list of the 50 largest congressional districts in terms of Federal farm program payments. These districts appear on a map I have prepared showing the geographical location of these large volume of payments.

When I announced that these districts were receiving the largest volume of Federal payments, I said I was continuing my investigation of what caused this situation.

In several of these big payment districts, irrigation water has resulted in crop production patterns vastly different than would be possible without this supplemental moisture. No one can oppose the possible future need for irrigation water to grow crops for our growing population, but during a period when we are spending millions of dollars to reduce the size of our agricultural production, it seems illogical to be paying taxes both to support the development of irrigation projects to increase crop production on one hand and then use additional tax funds to reduce crop production on the other hand. Irrigation water for our towns and cities is vitally important, but to permit the continuance of giant farm program payments to reduce crop production in these areas makes little sense. In addition, some of these same regions have seen the steady rise in the yield of crops as a result of the supplemental water which provides a decided disadvantage for farmers in nonirrigated sections of the Nation.

Attached to these remarks is a listing of the congressional districts, which are part of the 50 largest payment recipients, and the costs of the irrigation projects currently functioning:

BUREAU OF RECLAMATION IRRIGATION PROJECTS

Congressional district	Irrigation project	Federal cost	Counties in unit	Total payments	Congressional district	Irrigation project	Federal cost	Counties in unit	Total payments
Kansas—1	Almena unit	(1)	Norton	\$1,987,304					
			Phillips	2,423,088		Lower Marias unit	(1)	Valley	\$3,657,908
	Courtland and Scandlin units	(1)	Cloud	2,711,494				Chouteau	6,636,031
			Jewell	3,786,441		Nickwall unit	(1)	Hill	4,396,214
			Republic	3,377,217				McCone	2,670,447
	Cedar Bluff unit	(1)	Ellis	2,298,459		Yellowstone Division	(1)	Richland	(2)
			Trego	2,190,472				Savage unit	(2)
	Kirwin unit	(1)	Osborne	2,952,303				Stipek unit	(2)
			Phillips	(2)				Colgate unit	(2)
			Smith	3,158,975				Marsh unit	(2)
	Webster unit	(1)	Osborne	(2)				Crackerbox unit	(2)
			Rooks	2,491,712		Sun River project	10,450,657	Cascade	2,713,696
						Shoshone project	24,746,535	Carbon	917,281
Total				24,885,753	Total				34,345,012
Nebraska—3	Mirage Flats project	3,101,835	Sheridan	1,354,262	Washington—4	Columbia Basin project	1,021,302,000	Adams	5,939,741
	Ainsworth unit	(1)	Brown	583,914				Franklin	2,930,625
	Franklin unit	(1)	Franklin	2,236,239				Grant	5,291,786
			Webster	2,225,948				Walla Walla	4,581,981
	Superior unit	(1)	Webster	(2)				Benton	1,686,902
			Nuckolls	2,632,660				Kittitas	399,177
	Farewell unit	(1)	Howard	2,023,078				Yakima	1,889,400
			Sherman	1,614,366	Total				22,719,612
	Frenchman unit	(1)	Hitchcock	2,034,196	California—18	Central Valley project	2,398,947,000	Kern	24,004,703
			Red Willow	2,372,816				Tulare	13,975,014
	Meeker-Driftwood unit	(1)	Hitchcock	(2)	Total				37,979,717
			Red Willow	(2)	Oklahoma—4	W. C. Austin project	12,309,007	Greer	2,390,173
	Red Willow unit	(1)	do	(2)				Jackson	5,142,987
			Furnas	2,612,690	Total				7,533,160
	Cambridge unit	(1)	do	(2)	New Mexico—2	Carlsbad project	9,332,403	Eddy	2,354,816
			Harlan	1,908,809		Fort Sumner project	2,433,320	DeBaca	223,328
	Sargent unit	(1)	Custer	4,494,693		Middle Rio Grande project	34,904,194	Socorro	296,299
			Valley	1,920,565				Valencia	125,393
	North Platte project	34,777,850	Morrill	1,158,570				Dona Ana	3,761,079
			Scotts Bluff	1,996,785				Sierra	265,766
			Sioux	398,117	Total				7,026,681
Total				30,640,128	California—16	Central Valley project	2,398,947,000	Fresno	24,270,300
North Dakota—2	Lower Yellowstone project	3,697,842	McKenzie	2,778,785				Merced	3,586,960
	Fort Clark unit	(1)	Mercer	2,117,029	Total				27,857,260
			Oliver	1,135,767	Arizona—2	Gila project	74,247,873	Yuma	5,857,341
	Heart Butte unit	(1)	Grant	2,526,636	Texas—15	Lower Rio Grande project	17,005,299	Cameron	9,651,585
			Morton	3,141,330				do	(2)
	Buford-Trenton project	1,462,617	Williams	4,395,674				Hidalgo	10,971,106
Total				16,095,221	Total				20,622,691
	Buffalo Rapids project	5,255,588	Custer	857,425					
			Dawson	2,805,044					
	Huntley project	1,921,208	Prairie	875,692					
	Intake project	87,513	Yellowstone	2,381,597					
	Lower Yellowstone project	3,697,842	Dawson	(2)					
			Richland	3,197,498					
			Dawson	(2)					
	Milk River project	10,695,450	Blaine	1,331,468					
			Phillips	1,454,691					

¹ Part of the Missouri River Basin project; cost included in Bureau of Reclamation unit estimated or actual costs to June 30, 1968, of \$1,345,662,454.

² Included above.

Mr. WHITTEN. Mr. Chairman, I yield myself 2 minutes.

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Chairman, may I say—and I do it at this point in view of the statement just made—that is one side of the story. The other side of the story is that the sugar producers have made available to the American people ample and dependable supplies of this basic commodity at a cheaper average price than the people of any other nation in history has enjoyed.

To offset those payments processing taxes are levied in a larger amount. The Government actually makes a profit. So, if you look at the two sides of the coin, you can see it does make sense.

Mr. Chairman, I yield 5 minutes to my colleague on the Appropriations Committee, the gentleman from Wisconsin (Mr. OBEY).

(Mr. OBEY asked and was given permission to revise and extend his remarks.)

Mr. OBEY. Mr. Chairman, I think this committee has done an excellent job in revising the budget for the U.S. Department of Agriculture and most especially in restoring the funds for the ACP

and the Soil and Water Conservation Service as well as the special milk program.

Mr. Chairman, I would like to indicate my support for this bill because I believe, in general, it does an excellent job of providing funds for several agriculture programs which have proven their worth.

The committee recommended, among other things, that funding for the ACP and special milk programs be restored.

While President Nixon recommended no funding for either of these programs in his budget, I am most happy that the committee restored both to roughly their funding levels of this year.

The committee also has my full support in its recommendation that the Bureau of the Budget release \$20 million which will be put into a special reserve fund for rural electric co-ops.

I am also pleased with the committee recommendation of \$56 million for water and waste disposal grants to be made by the Farmers Home Administration, a recommendation which exceeds the administration request by \$32 million.

Mr. Chairman, with these recommendations, the Appropriations Committee has recognized the importance of conservation and pollution prevention programs, rural development and the need

to continue to provide nutritious foods to thousands of our children through school programs.

These programs have proven their worth in the past, they have earned their continuation for the future.

I rise at this time also, to announce that at the proper time I will be offering an amendment to increase by \$1.5 million the funds available under this bill for research in nonchemical methods of controlling pests.

In the past 10 years the threat to our environment presented by the excessive use of pesticides has been broadly recognized. Indications are that the problem will be even more serious 10 years from now, unless we develop alternatives to chemical methods of pest control.

Manufacturer sales of pesticides have been increasing 10 to 15 percent annually. By 1985, they will increase another sixfold.

We all know of the recent studies which found DDT in 584 of 590 samples of fish taken from 45 rivers and lakes across the United States, dieldrin in 75 percent of the lakes and rivers sampled, and heptachlor and/or heptachlor epoxide in 32 percent, and chlordane in 22 percent.

The U.S. Public Health Service has re-

ported the detection of pesticides in 76 of 79 samples of drinking water supplies around the country. At the present time, the USDA reports residues of aldrin and dieldrin are already equivalent to maximum acceptable daily intake recommended by the health organization.

Mr. Chairman, the amendment I will be introducing today is based on an exchange of letters between officials at the USDA, and Senator GAYLORD NELSON of Wisconsin.

One month after presenting their budget to the Agriculture Appropriations Subcommittee, Department officials wrote to Senator NELSON admitting that, in addition to the funds requested, they could utilize effectively \$4.4 million for research on nonchemical means of pest control, and \$2.6 million for the staffing of pesticide research laboratories.

The additional research funds could be used for such research projects as biological control of citrus fruit insects, the development of nonpersistent pest control methods, including hormonal insecticides, research on biological control of cotton insects, and expanded research on biological control of the cotton boll weevil, including the use of the sterile male technique.

To their great credit, this committee recommends the addition of \$2.3 million for the staffing of these pesticide laboratories. It did not, however, add the \$4.4 million for research programs, and that is why this amendment is here.

Under normal circumstance, I am sure that none of us would find surprising a Government agency admitting that it could use more money. But in light of the extremely slow pace at which the USDA responded to the problem of pesticides and to pesticide use, I think their admission now that they can effectively use these funds is significant.

We need a total commitment to seek nonchemical means of pest control. The report of the Commission on Pesticides and Their Relationship to Environmental Health—Mark report—recently recommended that a "vigorous specific program should be created to bring the 100 most serious insect pest species of the United States under optimal control." These 100 most wanted culprits, the report indicated, require about 80 percent of the insecticides now in use. The American Chemical Society recently reported that the eradication of just three pests—the boll weevil, the bollworm, and the codling moth—could reduce the amount of insecticides applied annually in the United States by an estimated 40 percent.

I represent one of the 15 most agricultural districts in the Congress. I am also vitally interested in conservation.

The argument is often made:

Don't ban pesticides such as DDT and other chlorinated hydrocarbons until we have the facts, until we know what alternatives are available.

I am saying with this amendment: All right, let us make a greater effort to find these answers.

I would like to find some of these answers to pest control questions before our farmers are backed up against a wall.

This amendment will not go far in that regard, but it will be a signal to the USDA to be more aggressive in their approach to this problem.

Mr. LANGEN. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota (Mr. ANDREWS).

(Mr. ANDREWS of North Dakota asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS of North Dakota. Mr. Chairman, we just heard a statement made about payment limitations, and payment limitations are the quick and easy way of getting headlines today. There are those politicians who would have everyone in urban American areas think that they are going to get food cheaper, and that they are going to have their tax dollars cut down, if only we have payment limitations.

I think frankly that we do need to put payment limitations into effect if for no other reason than to preserve the farm program that is providing this Nation with abundant food at a lower cost than any other country in this world, but I do not believe we should enact payment limitations by following the headline hunters without at least knowing the basic facts.

One of the objections brought up was the fact that there was a large payment to a sugar cane company in a State not my own, Florida, I believe, and another one in the State of California. I represent sugar beet growers, and there is not a single sugar beet grower in my district who would be hurt by the \$20,000 limitation the gentleman is proposing so supposedly I could go along with the amendment. But, it is not fair to intimidate people who are contributing to the economy of the United States by producing cane sugar here in this country—and by limiting cane payments the entire sugar program would be in jeopardy.

I have in my hand a GAO report, "Comptroller General's Report to the Congress," it is Report No. B-118622, and it is dated September 23, 1969.

It says:

The General Accounting Office (GAO) undertook this review to determine why domestic sugar producers were not marketing the amount of sugar authorized by the act, since it appeared that substantial benefits—

And these are their words—

including a beneficial effect on the U.S. balance-of-payments position, were available if domestic sugar producers marketed sugar to the extent of their authorized quotas.

They go on to their findings and they say:

GAO believes that the continuing severity of the U.S. balance-of-payments situation should be a major consideration in allocating continuing, long-term deficits.

They go on to say further:

In view of the significant benefits which would accrue to the domestic sugar industry and the beneficial effect on the U.S. balance-of-payments position through a reduction in the outflow of dollars, GAO—

And obviously, this is a noninvolved group—

GAO recommends that the Congress in its extension of the legislation—which expires

on December 31, 1971—consider modification of the deficit allocation provisions of the Sugar Act of 1948, as amended, to enable the Secretary of Agriculture to allocate continuing, long-term deficits of a domestic area to other domestic areas rather than to foreign countries.

Here the General Accounting Office finds that it is in the taxpayers' best interest for us to produce more of our sugar here, because of the favorable effect on the balance of payments and reduction of the outflow of dollars.

The sugar act is not a money consuming program—it is a money earning program. I think in fairness this side of the picture should be brought out in the debate instead of just dragging these big payments through the press in order to gain headlines.

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I am glad to yield to my good friend, the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Chairman, I wholeheartedly agree with my dear friend, the gentleman from North Dakota (Mr. ANDREWS). The gentleman will recall that last year we prevailed upon the House to exclude sugar from the limitation on subsidy payments. We appealed to the House on the basis that the sugar program is entirely different from programs covering wheat, cotton, feed grains, and other crops. We pointed to the fact that while on the one hand subsidy payments are made to those who do not grow anything, on the other hand, in the case of sugar, compliance payments, not subsidies, are paid to sugar growers out of a special tax imposed on sugar growers alone for sugar grown and processed. By payment of this processing tax the sugar industry has paid into the Federal Treasury in excess of \$500 million over and above the cost of the program since 1948 when the Sugar Act was first enacted.

To treat sugar on the same basis as other agricultural commodities, therefore, would be doing a grave injustice to the sugar producers. As the gentleman from North Dakota has well pointed out, the program has been of benefit to the taxpayers. It has not cost him a penny and he has in fact profited from the Sugar Act, which is the most effective agricultural measure ever enacted by Congress. The consumer too has benefited. While in Russia consumers pay as much as 50 cents a pound for sugar, here in the United States the consumer has paid a stable price of about 12 cents a pound ever since the Sugar Act was enacted.

Prior to the enactment of the Sugar Act, the price of sugar was jumping from 10 cents up to \$1 a pound, dependent upon the supply. But since the Sugar Act was enacted, the consumer in America has enjoyed a stable and most reasonable price of any country in the world.

The amendment which the gentleman from Illinois (Mr. FINDLEY) proposes to offer includes a limitation on sugar compliance payments. It carries with it an injustice which should not be allowed by this House.

I voted against the Conte amendment last year, even though it exempted sugar from its limitation provision. I was strongly of the belief then that it would have ruined an agricultural program which has maintained stability in our most essential agricultural industry. I am still of that belief.

The Findley amendment would go further and destroy an even more successful program—the Sugar Act. I therefore urge the defeat of the amendment which the gentleman of Illinois (Mr. FINDLEY) proposes.

Mr. ANDREWS of North Dakota. Mr. Chairman, I appreciate the contribution of my good friend and colleague, the gentleman from Hawaii.

I think that in summation, we want to point out that the sugar program is a program from which the Government makes a profit and, secondly, the consumer of sugar in this country gets his or her sugar at a cheaper price than the average price paid by sugar consumers in other countries.

Let me again make the record explicitly clear, because there will be those who will dig out the so-called world price of sugar and say that it is 3 cents or 4 cents.

The so-called world price of sugar is not the price that most people pay. The world price is a distress price for dumped sugar that has no home. Virtually 95 percent of sugar that moves in world trade moves under agreements and the cost to the average consumer wherever they are, in Russia as my colleague suggested, or in Europe or in South America, is higher than it is here in the United States.

I would hope that in the discussion of payment limitation we do not go off the deep end and begin talking about programs without considering all the facts that are involved in these specific programs.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may desire to the gentleman from California (Mr. McFALL), a member of the committee.

(Mr. McFALL asked and was given permission to revise and extend his remarks.)

Mr. McFALL. Mr. Chairman, I rise in support of H.R. 17923. Chairman WHITTEN and his subcommittee have done an outstanding job in fashioning a bill that is responsive to the changing needs of agriculture and at the same time giving full weight to the increasing responsibility placed upon the Department of Agriculture to provide additional services for the entire population.

As pointed out in the committee report, the bill appropriately could be termed "an appropriation for protection of the public health," or "for the protection of industry and labor." It could be called the "Rural Development Act of 1971," or "the antipopulation bill." It provides funds for all of the responsibilities the Congress has assigned to the Department.

Appropriate emphasis is placed by the committee on the essential nature of agriculture in the economy of our Nation and history's lesson that the seeds of the Great Depression were sown by the failure of our Government to maintain farm exports and the farmers' purchasing power.

It is particularly heartening to note the recognition given in the bill to the need for additional personnel within the Department to handle the increase in workload brought about by greatly expanded programs. Funds are provided for an additional 2,533 employees to carry out the expanded programs of meat and poultry inspection, to staff increased efforts to alleviate hunger and malnutrition through food distribution undertakings, to meet vital research needs, soil conservation programs, and to handle greatly enlarged responsibilities of the Farmers Home Administration.

The Farmers Home Administration would receive the largest number of additional positions, 903, with meat and poultry inspection and related consumer protection programs close behind at 749.

Earlier this year, I provided Chairman WHITTEN's subcommittee with factual information about the large increase in workload since 1965 of a Farmers Home Administration office in my district. In that year the office processed about 150 applications for loan assistance with only three staff members. In 1969, the caseload had risen to 300, with only an additional part-time employee. This doubling of the work occurred due to congressional expansion of programs for rural housing, water and sewer facilities in rural areas, and such innovations as self-help housing for low-income residents.

Since 1960, FHA's program levels have increased 624 percent; loans outstanding have increased 472 percent, and collections have risen 248 percent. To assure the proper functioning of this agency, which is a principal arm of the Federal Government in dealing with the problems of rural America, it is essential that adequate administration and technical services be provided.

Mr. Chairman, this is a carefully developed bill, designed to meet the needs of our rural population and urban residents who depend upon the services we have assigned to the Department of Agriculture. I urge its approval.

Mr. LANGEN. Mr. Chairman, I yield to my colleague from Minnesota such time as he may desire.

(Mr. QUIE asked and was given permission to revise and extend his remarks.)

Mr. QUIE. Mr. Chairman, I rise to commend the Committee on Appropriations for the step they are taking today to assure every child from a household with an income below the poverty level a free or reduced-price lunch. With House approval of committee action we will be well on the way toward achieving our goal of ending hunger and malnutrition in this country.

Less than 1 month ago, the President signed H.R. 515, a bill amending and improving child feeding programs conducted under the National School Lunch Act and Child Nutrition Act. That act was initiated by this House and sponsored jointly by myself and my colleague from Kentucky, the distinguished chairman of our Committee on Education and Labor, CARL PERKINS. One of its major provisions calls upon the Secretary of Agriculture to establish national standards for the poverty level, which shall be used by all school districts that serve

school lunch with the aid of Federal cash or commodities to determine who is eligible for a free or reduced-price lunch. Application for eligibility is to consist of a simple certification of income level by the child's parents or guardian.

Now the time has come to make sure there are sufficient funds available to enable school districts to meet the demand for these free and reduced-price meals. Such meals must be served to all children from farm households of four with incomes of less than \$3,200 and nonfarm households of four with incomes of less than \$3,800. Exactly how many children that will cover neither we nor the administration are sure, but we believe that the cost will far exceed the \$200 million sought by the administration for this portion of the school lunch program.

Last May, the gentleman from Kentucky and I introduced legislation to secure an additional \$100 million to support the free and reduced-price lunch program, and the House backed us almost unanimously. The Senate insisted on providing only \$30 million. We compromised to be sure of obtaining that amount in time to help schools that were facing a funding emergency. To do the job contemplated by our authorizing legislation is going to require an indefinite sum. Nobody can project this far in advance of the start of the school year the ultimate costs. Therefore, the approach taken by the Appropriations Committee today is the best possible one at this juncture.

I commend the committee in its report on this bill for their recognition of the problem and their recommendations:

The Administration has not had time to provide estimates on which the Committee can act, and funds provided, though extensive, are not specifically based on these amended provisions. The Committee recognizes their far-reaching effect and, where necessary, authorizes the administration of the program at a quarterly rate in excess of the annual amounts recommended in this bill until such time as the program estimates can be reviewed in connection with the first supplemental.

Mr. Chairman, that action means that the Congress is releasing both the administration and local school governments to do their utmost to fulfill our intent in passing the authorizing legislation. As the President's adviser on nutrition, Dr. John Mayer of Harvard, said last Christmas Eve:

To feed needy children, it will cost what it will cost.

That is the only way to implement our bill, to seek out every needy child and place lunch before him rather than awaiting funds before attempting to perform this outreach task. I congratulate the committee on the leeway and on the impetus it has given in its bill.

Mr. LANGEN. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. PRICE).

(Mr. PRICE of Texas asked and was given permission to revise and extend his remarks.)

Mr. PRICE of Texas. Mr. Chairman, it is difficult to imagine a more ill-timed amendment than that offered by the gentleman from Illinois. It can result only in mischief. It would seem to apply

to the combination of all payments formulated or made by the Department of Agriculture for the 1971 crop year programs. Obviously, there could be no payments for crops for which no legislative authorization exists. Apparently, as of the present legislative situation, it would apply only to extra-long-staple cotton and sugar. It would apply to wheat certificate payments, provided the wheat program passed by the Congress in 1962 was approved by farmers in a referendum to be held later this summer. However, the result of the referendum held in 1963 indicates that farmers would not approve this program by the necessary two-thirds majority and there would be no authority for making wheat certificate payments.

Let me emphasize that at present there is no legislative authority for making any payments for the 1971 crops of upland cotton, wool, and feed grains. It would appear that this amendment is intended to apply to substantive law that has not yet even been approved by the Congress. At best, this would appear to be a dubious and counter-productive procedure for this House. I do not see how it could do anything but complicate the problem of passing sound farm legislation to replace that expiring with the 1965 act. This issue has been before the House several times before, accompanied by voluminous statistics to show the number of payees that would have been affected in the past year had such a limitation been in effect and the amount of dollars that would have been saved. Despite all this, the issue is one that is still not fully resolved in the Agriculture Committee.

The position of the Department of Agriculture, as set out today, is as follows:

It is our feeling that consideration of all limitations at this time is premature in view of the likelihood that new farm legislation will be before you soon. As we stated to you last year when this matter was under consideration, we feel strongly that payment limits could be handled on a sound basis as a part of a total legislative program. To enact a limit before the total program is known runs the risk of creating great confusion and uncertainty and perhaps unsound legislation.

It is our strong view that any limits established should be on the basis of individual crops and not on a total farm basis because individual crops are harvested at different times during the year and payments are made at different times. The application of a total farm limit becomes administratively very difficult. However, the administrative difficulty is not the most important objection. The most important one is the difficulty that would be created for individual farmers to whom the individual limits might apply. Amounts of some payments would not be known until after the cropping season and it would, therefore, be almost impossible for a farmer to properly apportion his acreages to take full advantage of the commodity program without penalty.

It is also our strong conviction that any limitation on payments should be based on a sliding scale rather than a specific dollar limit.

We are now beginning to grasp some of the complexities and hope soon we will be able to share our findings and views with our colleagues. At this time, let me point out a few outstanding examples of

the confusion surrounding this issue. All of us implicitly or explicitly tend to think in terms of one farmer corresponding to one farm and one crop. This is not the situation at all. For example, only about 5 percent of the feed grain payments of \$20,000 or more go to farmers who grow no wheat, cotton, or wool. In fact, a limitation of this size applied to all commodity programs combined would drive about one-fifth of the feed grain cooperating acreage in Texas outside of the program. Participating acreage in California and Arizona would drop about one-half and three-fourths, respectively. There would thus be no effective feed grain program in these States. This obviously would mean low corn prices in Illinois or else higher diversion at additional cost in the other feed grain areas.

An even more important complication, however, is not the combinations of various crops, but rather the combinations of multiple producers on one farm combined with the fact that most large producers have some interest in a crop on more than one farm. These aspects are still being studied by the Agriculture Committee and the Department of Agriculture. There is some evidence that the assumed one to one correspondence between a farm and a payee under these programs is typical of only one-fifth to one-third of the situations that would be affected by such a payment limitation. This may be another way of saying that perhaps the advocates of this limitation may be only 20-percent correct in their analysis of the results thereof. Certainly, the House should not express itself again on this issue until it has been acted on by the appropriate committee and supported by a committee report. This is especially true since if we resist dubious and harmful prejudgments, prospects are good that such a proposition adequately studied and supported will very soon be put before the House.

Mr. LANGEN. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts, (Mr. CONTE).

(Mr. CONTE asked and was given permission to revise and extend his remarks.)

Mr. CONTE. Mr. Chairman, before making my speech, I want to ask the gentleman from Mississippi, the chairman of the committee, my good friend, Mr. WHITTEN, a question. I am referring to section 508 on page 39, to which I was going to offer an amendment on farm subsidy payments. I will explain later what I was going to do on this, but would the gentleman agree with me that this section here will not carry over to June 30, 1971?

Mr. WHITTEN. Mr. Chairman, may I say to my colleague that it would so so, but if the gentleman will bear with me and if the gentleman will yield to me, I will yield him additional time, and I will explain what is involved in this.

Having handled this in other years and having faced other amendments which would change substantive law, at least we had the law before us, and it was my belief as chairman of the subcommittee, concurred in by the Members I have had a chance to talk to, that with the farm legislation not even reported as yet to the House and not passed by the

Congress, and since it will have to be renewed this year, it was our belief that we, as the Appropriations Committee, and as an arm of the House, should not in advance by an appropriation bill try to tie the hands of the Congress as well as that of the committee in whatever farm legislation we wish to pass, so we wrote the provision—I wrote it frankly—strictly on the basis that whatever we do here should not tie the hands of the Congress itself in substantive law.

I do think my friend, the gentleman from Massachusetts, may have misconstrued this—at least, he construes it differently from what I do, so I may explain it the way I construe it. I am reading section 508:

No part of the funds appropriated in this Act shall be used to change any price support program payment or payments, or commodity loan or loans in any manner, the effect of which is to modify substantive law.

So any substantive law that we may pass would stand on its own and would not find itself modified by something we passed before that substantive legislation was passed by the House. So what this does is maintain the status quo of any law we may hereafter pass. That was the intent. The sole purpose was to keep us from trying to dictate legislation against desires of the committee.

If, when we get to section 508, we have not amended in advance the legislation that has not yet been passed, I would have no objection personally to recommending to the subcommittee that we delete it on the ground that we no longer need it.

Mr. CONTE. I think that is a fair statement by the gentleman from Mississippi, and I appreciate it, because I understand that an amendment to limit farm subsidies will be offered by the gentleman from Illinois.

As the author of the amendment for a \$20,000 payment limitation, the only one that has ever passed this House, which I offered on two different occasions, which was passed by this House on roll calls on two different occasions, The Members can realize how deeply interested I am in this subject matter. I have fought long and hard for this reform.

I certainly would prefer that we avoid the battle today.

A year ago my amendment to limit subsidies passed by an 82-vote margin, a net gain of 12 votes over the margin of victory in 1968. Nevertheless, the other body failed to go along.

This year I am convinced that the chances for success in the other body are excellent. I would not want to jeopardize those chances today by a vote that reflects less than the total support existing here in the House.

A year ago, when my amendment to the 1970 appropriation bill was under discussion, opponents said that the place to consider such an amendment was on the authorizing legislation. We were able to counter that objection by noting that a farm bill was not expected for another year. We cannot make that argument today, for, despite the present logjam in the House Agriculture Committee, I

am convinced that sooner or later, perhaps within a month, we will have a farm bill.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. LANGEN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. CONTE. Sooner or later, perhaps within a month, we will have a farm bill. Then will be the most appropriate time to enact a comprehensive amendment which limits subsidies, and does so within maximum effect.

Mr. Chairman, I think it is worth noting that progress has been made toward adopting this reform not only as reflected in public opinion polls, but in the actions and statements of Agriculture Secretary Clifford M. Hardin as well. A few months ago the Secretary unveiled a proposal for a payment limitation on a sliding scale that would permit payments up to \$110,000 per crop to a producer. While I consider that level ridiculously high, and have so advised the Secretary, it is nonetheless significant that for the first time a Secretary of Agriculture has come out for a subsidy ceiling.

More recently, Assistant Secretary Clarence D. Palmby reportedly indicated to the House Agriculture Committee that the Department was prepared to support a substantially lower ceiling.

So there has indeed been some progress, Mr. Chairman.

Now I am not under any illusion that the House Agriculture Committee is likely to report a bill with a payment limitation low enough to produce the savings I consider essential. But I am prepared to give them that chance.

The gentleman from Illinois knows, and I know that this is not the proper place. We have talked about it. I want to lay my cards on the table with him, because I talked to him on Thursday, and told him I thought this was not the proper place. I tried to reach him in Illinois on Friday, to tell him this was not the proper place.

What good is a limitation if we allow the gigantic corporate farmers, the people who have large entities, to subdivide their properties and get around the law? Then we do not save the taxpayers anything.

Surely, we could grab a headline for back home, but what will we have done to save the taxpayers any money? That is what I am interested in.

My \$10,000 per crop limitation would put firm, hard language in there to prevent them from subdividing, and would save the taxpayers up to \$338 million a year.

Let me state something else. The gentleman from Illinois and I and the gentleman from Minnesota [Mr. QUIE], met with an ad hoc committee of the Committee on Agriculture, a very fine group of people, including Mrs. MAY, Mr. KLEPPE, Mr. PURCELL, and several others. We hammered away at this thing, trying to come out to a compromise figure. We had reached an informal agreement where we had a compromise figure which would have saved the taxpayers millions. They were going to bring that back to the Committee on Agriculture, to get a vote

from them. Of course, we all know the rest of the story. That thing blew up.

As I have said repeatedly, an agriculture bill will come to the floor of the House one way or the other, and what if they don't pass a farm bill out of committee, the experts tell me that if it does expire, we do not have to worry about limitations any longer aside from sugar, because then the whole payment program goes out the window and they come back with a loan program.

Mrs. MAY. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I am glad to yield to the gentlewoman from Washington.

Mrs. MAY. I would briefly like to say to the gentleman I commend him for stating the true facts of what is going on in an attempt to come up with a reasonable and livable solution on ceiling payments. We have been very grateful to the gentleman from Massachusetts, and the gentleman from Illinois for meeting with our bipartisan ad hoc committee appointed by the chairman of the full Committee on Agriculture really to join this issue in a wise way based on the facts and the desires of the House. That is why I am so grateful that he spelled this out to show how serious a mistake we would make if we attempt to legislate at this time in the wrong area when there is such a very good chance that we are going to be able to do it in the right way.

I thank the gentleman for making this clear.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I am glad to yield to the gentleman.

Mr. SMITH of Iowa. I commend the gentleman for bringing this point out and describing the amendment as it has been proposed in previous years as completely unworkable. Land operated by a person or corporation can be divided and subdivided and I defy anybody to come up with any language that will avoid getting around such a limitation when on an appropriation bill. It seems to me the best way to apply a limitation really, if you want a limitation, is to provide that the Secretary shall limit the total payments to a percentage of the value of the crop, and then it is up to him by regulation which can be changed as necessary to do the job.

So, Mr. Chairman, I commend the gentleman for bringing out how unworkable the language is that can be attached under our rules to an appropriation bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LANGEN. Mr. Chairman, I yield the gentleman from Massachusetts 2 additional minutes.

Mr. CONTE. Mr. Chairman, I think we can come up with language and some real tight language here, but we just cannot do it in an appropriation bill, because we would be legislating on an appropriation bill. So this is a very hard pill for me to swallow, because I have carried the fight myself here a number of times. But unfortunately I lost it in the Senate. If we do win on the legislative bill—and I am sure that we will win on it next year—we will have an appropria-

tion bill coming up and we will carry the fight on there. But we do have a legislative bill which is on the threshold of coming out, that is the best bill to tack on my amendment.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I am glad to yield to the gentleman.

Mr. QUIE. I commend the gentleman for the position he has taken on the appropriation bill. I would also be strongly in favor of a limitation of payments in this bill if we did not have an authorizing bill coming up very soon. Even though the Committee on Agriculture is in a rather dismal position on the bill, I am sure that they will get a bill out, and I am confident that they will. I am also confident that they will come out with a limitation of payments. It takes a great deal of study to bring an acceptable limitation of payments here. It is interesting on the sugar bill that we had a limitation for a long time in the sugar act and we should have something further on other commodities as well, but the only way that we can do it really is in an authorization bill. We have tried it previously—and I supported it—in appropriation bills. This is the last thing that we can do. We did not have any other means at that time, but this time I am confident we will do it in the authorization bill and it will be a much better job and it will work.

I commend the gentleman, and I am willing to try to impose limitations in an authorization bill, but I am unwilling to impose them in this appropriation bill.

Mr. CONTE. I thank the gentleman very much; again I want it clearly understood that if we do not prevail with a payment limitation on the legislative farm bill, I will be back year after year on the agricultural appropriation bill.

Thank you.

Mr. LANGEN. Mr. Chairman, the gentleman from Illinois (Mr. FINDLEY) desires a few extra minutes, so I yield the gentleman 2 additional minutes.

Mr. FINDLEY. Mr. Chairman, I thank the gentleman for yielding.

I know the time is getting on, but I think we all want to keep the facts straight. This is the only bill which will be considered by this body this year through which a limitation on sugar payments can be effected. It is the only bill through which a limitation on payments for the production of long-staple could be effected.

Now, it may well be that the limitation I have proposed is too low to really suit some of the Members of this body and I recognize that fact. But from my standpoint, I think it is plenty high. It is \$20,000 per person per commodity. If the Committee on Agriculture in its wisdom should say we want to establish a sliding scale ranging from \$10,000 to \$20,000 or \$30,000, why not? But, at least, this gives the House some means of giving the Committee on Agriculture some idea as to the outer limits that it can expect to get through this Congress when and if this legislative bill may come down the track. We have had 14 months within which to come up with a farm bill. These confident forecasts that we will have a

legislative bill this year are a little bit hard for me to have confidence in. We have had 14 months which has been described as nearly twice the gestation period. So, I think we should face the problem here today and write into this appropriation bill a reasonable top limit on the number of dollars that any farmer can get under any programs which may be authorized for the 1971 crop.

Mr. LANGEN. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota (Mr. QUIE).

(Mr. QUIE asked and was given permission to revise and extend his remarks.)

Mr. QUIE. Mr. Chairman, I would like to ask the gentleman from Illinois if it is not true that if there is no action this year on an authorization bill for agriculture, we will revert back to the old law on which there will be no payments on any commodities other than sugar. There will be no payments to limit, therefore, there will not be any effect to the amendment which the gentleman proposes to offer.

Mr. Chairman, in my opinion the way to get at this question is through the authorization bill which will be up this year. With reference to sugar, if we want a greater limitation, we will have to wait until next year.

Mr. FINDLEY. A way to get at the legislative bill is by means of a limitation on the appropriation bill. The limitation on payments on this appropriation bill would definitely be effective for the two commodities I did list, sugar and long-staple cotton.

Mr. QUIE. I think the way in which to work with the authorization committee is to work in good faith with them. We do not need to use this means again to get across to them our views as to what the limitation should be. The Committee on Agriculture members are reasonable people and I think we ought to give them an opportunity to add to the authorization the type of limitation we will accept.

Mr. McDADE. Mr. Chairman, I rise to make a few points about the bill now under consideration. In particular, I would like to commend the committee for its recognition of the dire need in this country for improved water and waste disposal facilities in small communities.

As shown on page 63 of the committee report, the bill as it now stands includes a total of \$56 million for rural water and waste disposal grants, an increase of \$32 million above the budget request. This is a significant increase, and demonstrates that the committee recognizes the urgency of the needs of our smaller communities.

Nevertheless, as the committee itself points out, 34,763 small communities have been reported as being without public water systems and 44,567 that do not have adequate waste disposal facilities. This would mean that if all the necessary projects could be funded out of this appropriation, only slightly more than \$700 of direct grant money, on average, could be made available for each project. Clearly, not every one of these problems could be solved as a result of any single appropriation, nor would

we be sensible in attempting any such feat. Still, while this example is oversimplified, the figures indicate something of the magnitude of the problems faced by communities of less than 5,500 population. I sincerely hope that in the near future our overall budgetary situation will permit a more fully adequate level of funding for these programs.

Mr. PICKLE. Mr. Chairman, there is a strong undercurrent moving through this country that is truly a minority movement. A special, select 5 percent of our people are reaching the boiling point and we may have a major crisis on our hands shortly.

Mr. Chairman, I refer to the farmers, the 5 percent who are feeding the other 95 percent of the United States—and a portion of the entire world. If this Congress does not reverse the trend to eliminate, to cut back, to reduce the present farm programs, then we will be guilty of fostering a revolt among the Nation's food producers. This revolt carries a real potential for disaster that would make the students, the ghetto, and the environment crusaders take a back seat.

Mr. Chairman, there are few heroes left in the field of farm legislation. Too often, the rural-oriented, or even rural-interested, Members will be content to mumble that the "city boys" in Congress have the votes now and they are hurting the farm programs.

Frankly, the farmer is growing weary of this line of reasoning. I do not know what it will take—perhaps a massive education program or a massive attack against the prejudices of the big city boys—to convince the city dwellers of the very vital impact agriculture has not only at the dinner table, but at the economic tables. Perhaps it is time that the rural legislators drop back to basic politics and barter and trade and finesse to get adequate farm legislation on the books.

I think the time has come to stand and fight. For too many years, the farm programs have been eroded into hollow shells of what should be the laws governing the use of our land.

Somehow or other the farmer is given the image of one who grows fat for not growing food. That is a false connotation. The farmer has gotten less for his crops each year. His costs have steadily risen. His profits have gone from bad to worse. Today, his profit is razor thin. If we do not pass legislation that will help the farmer, we will discourage this great group of Americans to continue the honorable pursuits of agriculture—the very trade that started this country. If we pass restrictive legislation we are apt to start a revolution of protest that will become bitter and even dangerous.

Mr. Chairman, the farmer has also had it up to here. The breaking point is near. We must help the farmer—not drive him out of business. We cannot reduce his profits one bit more. The Congress had better listen. A revolt is in the making if we hurt the farmer any more by unfair legislation.

Mr. DELANEY. Mr. Chairman, the most recent Department of Labor statistics shows that the cost of living soared more than 6 percent during the last year.

The American people are greatly apprehensive as to where this inflationary spiral is leading us, and it is absolutely essential that we halt this assault on the integrity, stability, and purchasing power of the dollar.

It is generally agreed that one of the first steps to remedy this grave situation is to eliminate nonessential Federal spending. In my view, one of the first programs which should be halted is the Federal welfare program for wealthy farmers.

In the CONGRESSIONAL RECORD of March 24 and 26, 1970, there is a listing of some 7,800 farm operators who received \$25,000 or more for crop support programs in 1969.

According to this report in the RECORD, seven companies were paid in excess of \$1 million, with the highest payment, \$4,370,657, going to the J. G. Boswell Co., of Corcoran, Calif.

Others receiving substantial payments under the program were the States of Montana and Washington, and State prisons in Arizona, Louisiana, and Texas. The Southern National Bank of Lumberton, N.C., was paid \$224,254, and two other North Carolina banks received in excess of \$58,000 each. The First National Bank of Dumas, Tex., was given \$70,000 under the program.

This legislation was originally intended to help our small family farmers. However, we now find that money urgently needed for a number of critical farm and urban programs is being diverted to those who need no Federal farm assistance whatsoever.

I have strongly opposed this program during the last 2 years, and it is even more imperative today that we end this gigantic giveaway to wealthy landowners. The report in the RECORD, previously referred to, which lists nearly 8,000 farm operators who share a total bonanza of \$366.7 million, is a tragic testimonial to the bankruptcy of our farm program.

This program is nothing short of highway robbery of our taxpayers. It is taking the hard-earned money from the people of New York, who are burdened with perhaps the highest State and local taxes in the Nation, and donating these funds to wealthy farm operators who have no need for this totally unwarranted subsidy.

My constituents will never be convinced that the Standard Oil Co. of Oil-dale, Calif., is a poor farmer. Yet, the report in the RECORD shows that this company received a subsidy of \$127,995 in 1969.

To restore confidence in the dollar, and to restore confidence in the wisdom of our legislative process, it is imperative that this program be immediately terminated.

Mr. MONAGAN. Mr. Chairman, I am voting for this bill because its expenditures have been legally authorized and the money must be forthcoming. I did support the amendment to limit farm subsidy payments for any one producer to \$20,000.

In voicing my support for this amendment, I felt that I fairly stated the concern of my constituents that Congress must realine Federal expenditures to re-

flect domestic priorities. Pouring money into this program which cost American taxpayers over \$659 million last year weakens taxpayer confidence in governmental spending objectives and retards progress toward achieving lasting solutions to critical national problems.

In 1969, one payee under this program received \$4,370,657 as a subsidy payment, and approximately 8,000 farmers received \$25,000 or more each in payments. It is interesting to note that while the committee report has indicated from year to year that the number of farmers is constantly decreasing, in 1969 the number of farmers who received \$25,000 or more in subsidy payments actually increased by more than 1,800 over 1968.

Last week when the House was considering H.R. 17803, to increase the public debt ceiling, I said that I was supporting the bill because raising the public debt limit is to some extent a formality, while the real place to reduce obligations is in the authorizing bills as they come to the floor.

I have supported cutbacks in military and space appropriations when I felt that these programs were receiving a disproportionate share of Federal funds and I think that the farm subsidy program similarly qualifies for sharp paring.

Mr. HECHLER of West Virginia. Mr. Chairman, I am very pleased that the able gentleman from Iowa (Mr. SMITH) has offered this amendment, which means so much to the small towns and rural areas of this Nation. In West Virginia, for example, there are hundreds of small towns under 5,500 in population which will benefit from this provision of the bill. The Farmers Home Administration has indeed brought joy and happiness, as well as the good life and economic development to many areas in West Virginia and the Nation.

I would like to point out that when the President's budget recommended a meager \$24 million for water and waste disposal systems in the small towns, the unfulfilled need was huge and serious. Fortunately, the committee has increased this amount, but even the committee action fell far short of the \$100 million authorization.

Therefore, the proposal to expend the full \$100 million is a bold step to provide clean water and fight water pollution in the rural areas. Many of these towns simply do not have the local tax funds or bonding capacity to undertake these projects. As a result, the water surrounding the communities becomes polluted, and this adversely affects other areas downstream and spreads disease in a wide region.

In addition, there are many unincorporated areas which have failed to come under the umbrella of any organized program. This bill, with the addition proposed in the amendment by the gentleman from Iowa (Mr. SMITH) will provide a godsend to these communities, both incorporated and unincorporated, in their valiant efforts to fight for clean water and eliminate pollution.

Many pending applications from smaller communities under 5,500 in West Virginia and the Nation can be funded

once this appropriation is finally approved. I commend the gentleman from Iowa (Mr. SMITH) for his leadership, skill, and persistence in shepherding this amendment to a successful conclusion. I know that thousands of people throughout the Nation will be grateful to him for his effort.

Mr. GRIFFIN. Mr. Chairman, I support this legislation and wish to take this opportunity to commend the committee on its recommendations. In particular, I have the strongest praise for Mr. WHITTEN, the subcommittee chairman, for his wisdom and judgment in bringing before us a bill vital to every American. Without a sound agricultural program, and without adequate appropriations therefor, we would lack sufficient food, clothing, and shelter.

I was impressed by the hearings on this bill wherein Mr. WHITTEN brought out that American consumers spend 17 percent of their income on food, while 28 percent is spent in England and 50 percent in Russia. Surely this points up the efficiency of American agriculture and the need to keep it strong. Agriculture is truly the backbone of our Nation's economy and the orderly production and distribution of food and fiber are basic to our well-being.

The aspects of this bill have been eloquently explained and justified by Mr. WHITTEN and other distinguished members of the committee. Nevertheless, I wish to comment on a few items.

THE FIRE ANT MENACE

I am most pleased that the committee has recommended an increase of \$2,000,000 to step up the cooperative effort to eradicate the imported fire ant. As I have said many times, this pest has caused more damage to Mississippi agriculture than any pest since the boll weevil. These added funds, with matching State and local funds, should provide for an effective eradication program in the affected States.

EXTENSION SERVICE

The Extension Service performs vital functions through its programs of education, demonstrations, nutrition training, and 4-H Club work. The committee's recommendation for increased funds for these important services will pay large dividends in the future.

SOIL CONSERVATION SERVICE

The conservation of our soil and water resources is an economic necessity. While I personally would like to see additional funds for conservation, I recognize that we have overall budgetary problems and must do everything possible to have a balanced budget. However, I would stress that water and soil conservation prevents pollution and if we had not had this program over the years, the pollution problems of this Nation would be many, many times greater. The watershed improvement programs have made immense contributions to the health and welfare of our citizens.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

The ASCS has played a leading role in preventing pollution of our environment. The curtailment of soil erosion, the improvement of soil fertility, the develop-

ment of forest resources—and other practices—all enhance our opportunity to preserve our natural surroundings.

FARMERS HOME ADMINISTRATION

The FHA is critically involved with successful farming. Operating loans, housing loans, ownership loans, emergency loans, soil and water conservation loans, watershed and flood prevention loans, grants and loans for water and sewer systems, and other functions, are all important to maintaining a healthy national economy.

Mr. Chairman, time does not permit extensive comment on all of the agencies and activities covered by this appropriation bill. I have covered only a few subjects among the important many. Food stamps, the special school milk program, rural electrification and telephone loans, Federal crop insurance, the Commodity Credit Corporation, the Farm Credit Administration, meat and poultry inspection, Consumer and Marketing Service, Cooperative State Research, statistical reporting, and other equally important functions, are funded in this bill.

There has been a great deal of undeserved criticism of our agricultural programs and policies. As one who was born and raised on a farm and who has vivid memories of depressed farm prices, rampant unemployment, and widespread poverty, I firmly believe this bill is a sound economic investment, which will prohibit such from happening again.

It is not difficult to recall that I had little enthusiasm in the 1930's for my entire family to work 10 to 12 hours a day and sell cabbage for \$6 a ton, or 3 pounds for a penny. We sold tomatoes for less than 1 cent a pound; cotton brought 8 cents a pound.

To repeat, Mr. Chairman, this bill is a sound economic investment. Again, I commend Mr. WHITTEN for bringing to the floor a reasonable appropriation measure of benefit to all Americans.

Mr. RANDALL. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Iowa which would increase the appropriation for rural water and waste disposal grants from \$56 million to \$100 million. It is seldom that I ever take the floor to applaud any proposal for increasing spending, but this amendment proposes to do something about one of our Nation's top priorities.

Even without this amendment, the Committee on Appropriations had done the best they felt they could do, I am sure, because they had increased the appropriation for rural water and waste disposal grants by quite a considerable sum to the recommendation that \$56 million be made available in fiscal 1971.

It seems to me we should pause for a moment to recall that the administration budget for this purpose for fiscal year 1970 was \$46 million. For fiscal year 1971 the administration proposed an entirely and altogether inadequate figure of \$24 million. Our Agriculture Appropriations Subcommittee demonstrated recognition of one of our greatest present-day problems by increasing that figure to \$56 million.

However, the gentleman from Iowa, a member of the full Appropriations Committee, took a much more realistic view of the need in rural America to improve water systems and waste disposal units, when he proposed to add \$44 million or increase the appropriation for fiscal 1971 from \$56 million to \$100 million.

Mr. Chairman, on April 21, many people in America celebrated what was called Earth Day. There was an effort to focus attention on the problems surrounding ecology. There was an emphasis on the necessity for environmental cleanup. We were told at that time that there is no more urgent necessity or higher priority than the effort to clean up our environment. That is what this amendment is all about, because the funds under this section of H.R. 17923 are to provide money for the FHA to make grants for rural water and waste disposal purposes, for those communities under 5,500 population. Approximately 30,000 rural communities in this Nation do not have adequate water systems; 45,000 are without sewer systems. In almost all instances these communities cannot even consider the installation of such systems without the supplement of Federal funds for these purposes.

All of those who participated in the celebration of our first Earth Day should now support this amendment. Facts are that money for pollution control under Housing and Urban Development has not been simply increased or doubled but has been substantially trebled. Why is it, then, that the rural areas should be downgraded and those places under 5,500 population should be shortchanged?

We hear a lot about the concept of rural revitalization, which means the effort to prevent further migration of our population from the rural areas to our big cities. The only way that is going to be accomplished will be to make life in the rural areas and our smaller towns and cities more attractive as well as more healthful. That the Farmers Home Administration has been doing, but it has been woefully underfunded. Perhaps the one overriding problem in America today, of what appears to be long-range duration, is the rural-urban imbalance. That can only be corrected by trying to located light industry in our farming communities, in order that as the size of farms increases and fewer farmers are needed, they will locate in our small towns and smaller cities rather than migrating to big cities to further compound the almost insoluble problems faced today in administration of our larger cities.

Mr. Chairman, President Nixon's Task Force on Rural Development recently made about 30 recommendations. Foremost among these recommendations was a call for adequate funding for rural water and sewer construction. It was most unusual that the President approved these recommendations, and yet the budget for water and waste disposal grants was reduced about 50 percent from the \$46 million budget figure of fiscal 1970 to the \$24 million budget figure of fiscal 1971.

I know members of the Appropriations Committee may oppose this increase to \$100 million, and there may be some sug-

gestions that there is not adequate planning already in existence to use these increased funds. I do not know the situation in other congressional districts, but in my own there are literally dozens of applications, as many as two, three, or four in each of our 12 counties, that are standing in line with all planning completed waiting for grants, both from the unincorporated areas and in those communities of under 5,500 population.

This amendment should be adopted. No Member should find it distasteful to support this amendment. All of those who spoke so strongly for an environmental cleanup on Earth Day should support it. All of those who have advocated the concept of rural revitalization should support this amendment. Most of all, even those who say they are for economy can support this amendment, because the amount spent on rural water supply districts and small town sewer plants is not really money spent, but money invested in one of the highest priority projects in America today.

Mr. WHITTEN. Mr. Chairman, I have no further requests for time.

Mr. LANGEN. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes; namely:

Mr. WILLIAM D. FORD. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 160]

Abernethy	Frelinghuysen	Philbin
Addabbo	Frey	Pollock
Anderson,	Gaydos	Powell
Tenn.	Gilbert	Preyer, N.C.
Ashbrook	Hansen, Wash.	Price, Ill.
Ayres	Hébert	Pucinski
Blaggi	Holifield	Reid, N.Y.
Bray	Hungate	Reuss
Brown, Calif.	Keith	Rivers
Buchanan	Kirwan	Rooney, N.Y.
Carey	Kuykendall	Rosenthal
Celler	McCarthy	Roudebush
Clark	McMillan	Sandman
Clay	Macdonald,	Schuer
Corbett	Mass.	Schwengel
Corman	Meskill	Springer
Coughlin	Miller, Calif.	Stratton
Cowger	Morse	Taft
Daddario	Murphy, N.Y.	Waggonner
Dawson	Nichols	Whitehurst
Downing	Olsen	Wilson, Bob
Dulski	O'Neill, Mass.	Wilson,
Esch	Ottlinger	Charles H.
Fisher	Passman	

Accordingly the Committee rose; and the Speaker pro tempore (Mr. ALBERT) having assumed the chair, Mr. WRIGHT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 17923, and finding itself without a quorum,

um, he had directed the roll to be called, when 361 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the Committee rose the Clerk had begun to read the bill for amendment.

The Clerk will resume the reading of the bill.

The Clerk read as follows:

Research: For research and demonstrations on the production and utilization of agricultural products; agricultural marketing and distribution, not otherwise provided for; home economics or nutrition and consumer use of agricultural and associated products; and related research and services; and for acquisition of land by donation, exchange, or purchase at a nominal cost not to exceed \$100; \$146,143,200, and in addition not to exceed \$15,000,000 from funds available under section 32 of the Act of August 24, 1935, pursuant to Public Law 88-250 shall be transferred to and merged with this appropriation, except that \$1,000,000 of the foregoing amount shall be available for matching with funds utilized for research under Public Law 89-502, and \$1,500,000 shall remain available until expended for plans, construction, and improvement of facilities without regard to limitations contained herein: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a).

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OBEY: on page 3, line 14, after "a nominal cost not to exceed \$100;" strike out "\$146,143,200," and insert "\$147,643,200".

(Mr. OBEY asked and was given permission to revise and extend his remarks.)

Mr. OBEY. Mr. Chairman, knowing that this House is used to dealing with billions of dollars, I am almost embarrassed to bring this small item to the attention of the House, but on behalf of the gentleman from Pennsylvania (Mr. SAYLOR), the gentleman from Michigan (Mr. DINGELL), the gentleman from California (Mr. McCLOSKEY), and myself, I am introducing at this time an amendment to increase by \$1.5 million the funds available under this bill for research in the nonchemical control of pests. As I stated previously, this amendment is based on an exchange of letters between Department of Agriculture officials and Senator GAYLORD NELSON, of Wisconsin, during the past year.

In that correspondence Department officials admitted that "additional funds for this research could be utilized effectively" in fiscal year 1971, including \$4,420,000 for research on nonchemical means of pest control and \$2,620,000 for the initial staffing of pesticide research laboratories. The committee wisely agreed to the staffing of laboratories, but did not agree to the funds for added research projects, and that is why this amendment is here.

Included in the \$4.4 million increase, which they said could be effectively utilized,

ized for nonpesticidal research, the Department included the following:

Accelerating research and development related to the mass rearing of insects for biological control programs, \$2.15 million;

Expanded research on biological control of cotton boll weevil, \$1.5 million;

Research on biological control of citrus fruits insects, \$150,000;

Research on biological control of tropical fruit flies, \$150,000;

Development on nonpersistent pest control methods, including hormonal insecticides, \$150,000;

Research on biological control of grain sorghum insects, \$100,000;

Research on biological control of cotton insects, \$100,000;

Research on biological control of arthropod vectors of equine piroplasmiasis, \$60,000—tickets on horses; and

Research on biological control of aquatic weeds using insects, \$60,000.

Mr. Chairman, nonchemical methods have shown much promise of success.

Methods such as insect sterilization, the method used so successfully to control the screwworm fly has saved livestock producers an estimated \$120 million.

Light and soundwaves are also methods being tested at the present time to control insects. Scientists used blacklight for example, to attract male cabbage loopers in large field cages where they exposed the insects to a chemical which sterilized them. With this technique, scientists controlled 90 percent of the loopers.

Sex attractants have also been used by scientists, luring insects into their destruction. Tests with such attractants have been more successful in attracting the male bollworm moths than the female insects own lure. Synthetic attractants have been developed for the boll weevil also, as well as for the European corn bore.

In laboratories, insects have been awakened from their usual winter resting periods with the addition of artificial light to simulate the coming of spring. In one experiment a flash of light as short as one-thousandth of a second, given nightly during the larval stage of the imported cabbage worm, forced this insect to develop into the adult stage ahead of schedule and so out of step with nature that it could not live.

Great successes have also been achieved with the importation of parasites which are the enemies of insects. As early as 1888 the Vedalia beetle was imported from Australia to control the cottony-cushion scale which was a major menace to the California citrus industry. That beetle is still doing a highly successful job of this today.

The wasp is being used increasingly as a control insect. Wasps imported from Asia have been successfully used to destroy the red scale, a pest of concern to citrus growers. The wasp is being used by the USDA to destroy the cabbage worm, a destroyer of cabbage, cauliflower, and broccoli, and it has eliminated over 99 percent of the cabbage-worms from test projects—with no need of insecticides. Tests are being conducted

to see if the wasp, imported from France, can be used to control the cereal leaf beetle, a pest extremely destructive of oats, wheat, and barley. And over a 3-year period the alfalfa weevil has declined about 90 percent in areas in which USDA scientists released wasps to control the pest, saving farmers in these areas more than \$600,000 in 1969. These results are as good, say USDA officials, as those farmers obtain with conventional insecticides.

Important and successful tests have also been conducted in California and Florida using about a dozen imported species of weed-eating insects to control weeds which would otherwise be controlled with herbicides. In light of the significant increase in the use of herbicides, research of this sort could be a first step leading toward a reduction in their use.

And let me say, Mr. Chairman, before I lose the interest of a good many of the Members on the floor that they may be interested in learning that USDA research has also found that beer—stale or rich with foam—has been successfully used as an attractant for slugs. I am told any brand works.

Another thing that bothers me is the amount of money which must be directed from other programs to continue with present research on the cotton boll weevil. I am all for research in this area, even on a crash basis if necessary, if for no other reason than that approximately 45 percent of the DDT used each year in the United States is required for the control of the boll weevil. But Department plans to deal with the boll weevil in the next fiscal year mean that other programs will have to be cut. Programs, which, according to the Department, they will not be able to provide the financial support for. These projects include:

A pilot test to determine if sterilized corn earworm moths can be used to control this major pest of several agricultural crops;

A proposal to undertake research on attractants for the range caterpillar in New Mexico. This is an important pest of range grasses in New Mexico that has recently reached epidemic proportions, and insecticides available for its control are considered potentially hazardous to the environment;

A pilot test to determine if the mass production and sustained release of parasites of the pea aphid can control this insect on alfalfa to prevent transmission of virus disease to field-grown peas in the State of Washington;

Similar tests to determine if mass produced parasites will control the green bug on sorghum and potato aphids on potatoes; and

A research proposal to determine the potential value of a protozoan pathogen for the control of the tobacco budworm. This insect, which also attacks cotton and other crops, has developed resistance to insecticides, and alternative biological control methods are urgently needed.

Other research to gain more information on how the boll weevil might be controlled by sex attractants will also have to be put off as well as research on

the identification and synthesis of chemical components produced by the pink bollworm for the attraction of males.

The shift in funds necessitated by the concentration on the boll weevil research will also require the Department to delay the planned expansion of parasite and predator rearing programs for gypsy moth and cereal leaf beetle programs.

Mr. Chairman, I am not here today to say that any one program suggested by the USDA is more important than another, or that the \$155 million I am asking this House to allocate should go to any one particular program over one of the others. I am not qualified to do so in any event. I am saying that the Department indicates that there are programs that could profitably be carried out during the next fiscal year if increased funds were allocated. I am urging my colleagues to indicate their support of such research by providing about one-third of these funds in the next fiscal year.

It seems to me that when DDT is found in almost 100 percent of fish samples taken from our rivers and lakes, when dieldrin is found in 75 percent of the lakes and rivers sampled, then I believe it is time to end the business-as-usual attitude about the problem of pesticides.

I represent one of the 15 most agricultural districts in the Congress. I am also vitally interested in conservation. The argument is often made, "Do not ban pesticides such as DDT and other chlorinated hydrocarbons until we have the facts, until we know what alternatives are available." I am saying with this amendment, "All right, let us make a greater effort to find these answers." I would like to find some of these answers to pest control questions before our farmers are backed up against a wall.

This amendment will not go far in that regard, but it will be a signal to the USDA to be more aggressive in their approach to this problem.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, our colleague deals with a subject that comes close to all of us.

But it is extremely difficult, if I may say so, to get results for the money you spend. While we have just about every agency in Government that is dealing with this problem in the Department of Agriculture, the sum total spent in the overall activities of research service in this general area on such problems as fundamental biology; improved means of nonpesticidal control; improved pesticide use patterns; toxicology, pathology, metabolism, and fate; economics of pest control, use, supply, and requirements; pest control; monitoring; and regulation amount to \$94,500,000.

We are spending now about \$18 million in research in trying to find nonchemical controls. We are all familiar with the screw-worm and the success we have had with that.

But when you name that one, it gets extremely hard to find other places where we have had these kinds of breakthroughs.

Your committee has brought in a bill that gives an increase of \$2 million above what they had for the present year.

Certainly, we wish to meet this problem so far as we can, but scientists with the knowhow and the ability to contribute to this overall problem are not easy to come by.

This bill should pass, if the other body acts on it as it should by the first of July. But you do not snap your fingers and get top scientists so the chances are a big part of the year will go by while they are trying to find these people.

I respectfully submit that where we have raised last year's level by \$2 million in the overall field and where in this particular area they are spending \$18 million, and in the overall area \$94 million—I would hope in the interest and in view of everything we face as a Congress such as inflation and unbalanced budget, I hope you will agree with us that if we are just giving \$18 million worth of personnel to work that is a pretty good "chunk" of manpower. As big as the problem is, what we want is results. We figure we will get more results if we ride close herd over operations and even at that we have gone ahead with an extra million dollars over this years funds.

Mr. Chairman, I hope the amendment will be voted down.

Mr. LANGEN. Mr. Chairman, I move to strike out the last word and rise in opposition to the amendment.

Mr. Chairman, I will very briefly reiterate what the gentleman from Mississippi has already indicated that the committee has been very generous in this field. We have added a million dollars over and above the existing budget request. This will accommodate as many additional positions, as are available.

There are not enough scientists, because this is a very scientific field, to add further to the pace at which you can hope to have accomplishment in this field.

Consequently, I hope that the amendment is defeated.

Mr. DINGELL. Mr. Chairman, I move to strike out the last word and rise in support of the amendment offered by the gentleman from Wisconsin.

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

Mr. DINGELL. Mr. Chairman, I am well familiar with the problem raised by the distinguished chairman of the subcommittee. I wish to commend him and the subcommittee for having gone as far as they have gone. I believe the time has come for this Nation to understand that we must stop the unwise use of pesticides.

When my subcommittee held hearings on the legislation which ultimately created the Council on Environmental Quality, distinguished conservationists came before our committee and pointed out that if it were packaged in any other kind of container, mother's milk, under the Food and Drug Act, could not be shipped across State lines. Pesticides are not a problem. There is an environmental danger that is approaching, if it has not already crossed the point of being a major disaster.

Fatty tissue in human beings now exceeds the level at which meat would be barred from interstate commerce. We

do not know the effect of what these are doing.

Just this morning a release went across my desk pointing out that the birds of prey, the American eagle and the osprey, are now in serious danger. It made mention of the fact that there are now only something like 7,000 eagles, our national bird, in the United States. And it pointed out that the cause of this is not assumed to be, but is proven to be DDT and aldrin, and it pointed out the abnormally high levels of both DDT and aldrin in both chickens' eggs and the brain tissue of birds. It pointed out that most of the predatory birds are no longer able to nest because of the fact that DDT affects the shell development to the point at which the bird cannot successfully nest.

We have had in this country some very successful programs to reduce insect populations through the use of biological controls, and I believe it is the hope of not only the game populations of this Nation but also it is the hope of the people who are here that we should at an early time develop biological controls, because if we do not, the hazards to our population perhaps exceed anything that we understand at this time.

It is fair to say that two major programs have already had remarkable success. The screw-worm in the Southwest has almost been entirely obliterated through a wise program of biological controls, a program using irradiated males. In the southeastern part of the United States we have already had great success with the Mediterranean fruitfly by doing the same thing. There is an abundance of steps that can be used to substitute much more cheaply, much more effectively, and much less hazardous through the use of biological controls.

The amount of money proposed is very modest, \$100 million, and that \$100 million is one-fourth the amount the Department of Agriculture says it can well and sufficiently spend on expanded research into biological controls so that instead of spreading into land and polluting our air, water, and soil, our flesh and the milk of our mothers, that we can finally begin doing something which will get us on a program which will control our insect pests by devices which create no hazard to the soil, to the air, to the water, to human life, to fish, to game resources, and if you do not think this is a major problem, I point out that we are fighting pesticides that are polluting not only our flowing waters but also subsoil waters, and we are finding that the level of pollutants in the subsoil water is so high that the coho salmon, the silver salmon, are being killed in Lake Michigan. They are not only failing to reproduce, but under food and drug legislation now in existence, we cannot sell them for human consumption from the Great Lakes because of the abnormal and dangerously high level of aldrin and DDT that is present in the flesh.

So here we have an opportunity to support legislation which will give us a more viable and a more wholesome environment, and I urge the House to adopt the amendment.

Mr. NATCHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to my distinguished Chairman.

Mr. WHITTEN. Mr. Chairman, I appreciate the very fine statement that has been made and the great interest in the subject that the gentleman from Michigan (Mr. DINGELL) has mentioned here. There are some arguments on facts, but I rise now to say that so frequently we judge what effort we are making by the amount of money we see in an appropriation bill. I say this to those who do. I have dealt with the folks in the Department of Agriculture. They are fine people.

But there is not a Member within the sound of my voice who could not go down tomorrow to the Department about anything who would not be told, even though they have \$161 million, that something could be done if we would give them more money. I say that about many leaders particularly in the research department.

I would like to call the attention of Members to the fact that in this particular phase they have \$18 million now to do this research. We have given them an additional \$2 million. That does away with the argument that our friend, the gentleman from Michigan has made.

I urge we vote down the amendment.

Mr. NATCHER. Mr. Chairman, I urge the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. OBEY).

The question was taken; and on a division (demanded by Mr. OBEY) there were—ayes 39, noes 81.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. HATHAWAY

Mr. HATHAWAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HATHAWAY: On page 3, line 14, strike "\$146,143,200" and insert in lieu thereof "\$146,243,200".

Mr. HATHAWAY. Mr. Chairman, the purpose of this amendment to add \$100,000 to the amount that is now going to the soil and water research facility at Orono, Maine, which is the only facility in the Northeast for that purpose, is that this facility will be able to purchase much needed equipment and fund some additional personnel while awaiting the construction money which was authorized by the 86th Congress. In the 86th Congress, along with similar projects, this facility was given priority No. 26, but unfortunately priorities listed only through 24 have been funded to date. Last year the other body approved \$450,000 to start construction, but unfortunately this body did not so approve, and this body prevailed in the conference.

Maine's position in potato production has been deteriorating in the last decade, one reason being that there is not sufficient effective research in water and soil conservation.

Maine is now engaged in production of sugar beets also, so the need for this facility is much greater than it was previously. Of course, soil and water are basic natural resources, the proper management of these resources is important

to our Nation, and these are being taxed further by urban development and industrialization demands. As a result, there is much greater need for water and soil resources, and based on that water and soil research is necessary based on increasing need caused by the urban and industrial and recreational uses.

The point of this amendment is simply to insure that in the transition time between now and the time we are able to get the funds to construct a proper facility in this area we do have some funds so we can at least expand the existing facilities by a little more equipment, because if this potato yield problem is not taken care of immediately, and the yield of other crops in the area, another year may be too late.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HATHAWAY. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I can appreciate the gentleman's problem and appreciate the problems in Maine. We have them in my State and elsewhere.

Let me give our situation as to this matter of new laboratories. Some years ago the committee had a study made to see what laboratory facilities were needed all over the United States. We thought we would get a thorough study by the Department. Instead, they sent out letters all over the country, and brought them up, figuratively, in a bushel basket and dumped them at our feet. Our friends on the other side took those and gave a list of priorities. That is how the priorities got into it.

This is the immediate situation: The laboratories have been appropriated for by the Congress in recent years. This year we had to go along with \$3.5 million over the budget, not in the budget, for staffing new laboratories which in many instances were standing idle.

This year, due to circumstances, three-fourths of the new starts for construction early in the year were frozen.

So the committee did not review these overall requests for laboratories, of which there were quite a number that were not budgeted. We decided we would have to study them A to Z to go through with them.

That is the reason why I would have to oppose the amendment. I will be glad to join with the gentleman in trying to see what can be done with the money the Department does get, to see if within the funds they do have they can give special attention to this, until such time as they get back into the construction phase. I would be glad to go into it as fully as I know how, and to try to help as much as I know how.

This is one of a great number in here. If we make this exception we would have no basis for not going along with any other one.

I hope the gentleman will not press his amendment at this time, because I would have to oppose it, but I am in accord with what he seeks.

Mr. HATHAWAY. I thank the gentleman for his very cooperative attitude.

Let me ask the gentleman this question: Would not an additional \$100,000 help the gentleman in his bargaining with the Department?

Mr. WHITTEN. They either construct or they do not. When it gets into these other areas, the Department has many, many authorities which permit them to allocate funds to carry on work. As to the construction, we either have to do it or not do it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maine (Mr. HATHAWAY).

The amendment was rejected.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

AGRICULTURAL STABILIZATION AND
CONSERVATION SERVICE
EXPENSES, AGRICULTURAL STABILIZATION AND
CONSERVATION SERVICE

For necessary administrative expenses of the Agricultural Stabilization and Conservation Service, including expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393); Sugar Act of 1948, as amended (7 U.S.C. 1101-1161); sections 7 to 15, 16(a), 16(d), 16(e), 16(f), 16(l), and 17 of the Soil Conservation and Domestic Allotment Act, as amended (16 U.S.C. 590g-590q); subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816); and laws pertaining to the Commodity Credit Corporation, \$152,690,000: *Provided*, That, in addition, not to exceed \$68,779,000 may be transferred to and merged with this appropriation from the Commodity Credit Corporation fund (including not to exceed \$30,228,000 under the limitation on Commodity Credit Corporation administrative expenses): *Provided further*, That other funds made available to the Agricultural Stabilization and Conservation Service for authorized activities may be advanced to and merged with this appropriation: *Provided further*, That no part of the funds appropriated or made available under this Act shall be used (1) to influence the vote in any referendum; (2) to influence agricultural legislation, except as permitted in 18 U.S.C. 1913; or (3) for salaries or other expenses of members of county and community committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, for engaging in any activities other than advisory and supervisory duties and delegated program functions prescribed in administrative regulations.

AMENDMENT OFFERED BY MR. FINDLEY

Mr. FINDLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FINDLEY: On page 23, line 8, after the word "regulations", strike the period, add a colon and the following:

"Provided further, That none of the funds appropriated by this act shall be used during the period ending June 30, 1971 to formulate or carry out any 1971 crop-year program under which the total amount of payments to a person under such program would be in excess of \$20,000."

Mr. WHITTEN. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes in support of his amendment.

Mr. FINDLEY. Mr. Chairman, this is not a new issue to this body. Even though there has been some shifting of allegiance for payment limitations from year to year and even hour by hour by some people, it has been my feeling all the way through that we should seize every opportunity that comes along in an effort to impose a reasonable ceiling on the total number of dollars that any farmer

may receive under any commodity program.

Now, some of you will have before you a letter from Secretary Hardin. It is out of date and, in fact, it is erroneous because it assumes something that is not correct; namely, that my amendment applies to a farm when, in fact, the limitation goes to a commodity.

It is interesting to note, too, that Secretary Hardin's position seems to change from time to time. A year ago he was against the limitation. Later on he came out in favor of \$110,000 per commodity.

Then subsequently he came out and stated that this was too high. Now, it is not too surprising, perhaps, that he finds my limitation too low, but I live in hopes that tomorrow perhaps he will be with me.

My friend from Massachusetts, Mr. CONTE, has indicated that he will not support this amendment, which I regret very much, because he gave it good support last time and on a previous appropriation bill he was fervently for a limitation. In fact, earlier this afternoon he did inform me that he would offer a limitation on this bill. So I live in hopes that when the time comes for vote maybe he too, will be with me.

Mr. Chairman, there has been a lot of discussion about the sugar limitation. That is the principal issue, in effect, of my amendment. I will not go to great efforts to impose a limitation on payments thereto, but I do call the attention especially of Members on this side of the aisle to John H. Schnittker, Under Secretary of Agriculture under President Johnson, who stated publicly in testimony to the Congress that in his opinion the payments to farmers under the sugar program in the amount that they presently exist serve no public purpose.

It is also important that we be clear about what my amendment does. It establishes the payment limit at \$20,000 per commodity.

This level has been thoroughly researched and discussed and many of us have taken surveys on it. All of you have been asked as to your opinion with reference to a limitation of this level.

My amendment affects 1971 crops only. It would not affect in any way current crops. It would only affect those grown for harvest in 1971. Therefore, it is not retroactive.

The "snap back" provision about which we heard so much a year ago, no longer has any meaning because it expires with the expiration of the Agricultural Act, as amended. It is my belief and understanding that none of the proposals that have come before the committee carries such a provision.

But, I want to call your attention to a very curious provision of this appropriation bill and that is section 508, a section which in my opinion was deliberately put in here in a very inconspicuous manner in an effort to negate a payment limitation should such be adopted by this body. Section 508 appears on page 39 of the bill. This makes it doubly hard to get a limitation voted today.

This amendment applies only to single-year commodity programs. Payments through the cropland retirement

program are not affected because many of those are multiyear programs. It would apply to feed grains, cotton, wheat, sugar, and wool; that is, any payments thereunder would apply to payments only and not to crop loans.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(By unanimous consent, Mr. FINDLEY was allowed to proceed for 3 additional minutes.)

Mr. FINDLEY. Mr. Chairman, another important item is that the limitation applies to a person. This is a word of art that has been defined and established under Department operations in the past few years. The Department—which may be a surprise to some of you—has had broad experience in administering farm payment limitations. There have been five different programs in recent years under which the Department has administered limitations.

Its effect is to put a ceiling on income support. Its principal impact is on cotton and sugar production. Under the sugar program every dime paid to a farmer who produces sugar—and this reaches the amount of some \$100 million a year—every dime of those payments is income supplement. There is no land retirement required. The Department of Agriculture has certified that two-thirds of the dollars paid out to farmers under the cotton program are likewise income supplement. Less than one-third of the dollar paid into the cotton program can be attributed to payment for resource adjustment, that is, land retirement.

This amendment will not put anyone in the poor house. If adopted, it would permit a farmer to receive as much as \$20,000 per commodity. A Government guaranteed income at \$20,000 a year compares very favorably to the other levels of guaranteed income that we have talked about.

It has been argued that we ought to wait for the Committee on Agriculture to bring out a bill dealing with this subject matter. Over a year ago we were told that a new farm bill was just ahead and we ought to delay approving a limitation on the appropriation bill last year because we ought to let the legislative processes work. However, 14 months after the Committee on Agriculture took up the question, the committee seems no nearer agreement than at the outset. There is no certainty that a legislative bill will be enacted this year. But whether it is or not, it is the prerogative of this body under the rules of the House to impose a limitation on the use of appropriated funds. If this is done, in my opinion, it will serve as constructive notice to the Committee on Agriculture that when if it does report a legislative bill, to limit the payments to not more than \$20,000.

Mr. MELCHER. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from Montana.

Mr. MELCHER. Mr. Chairman, would the gentleman tell me whether "a person" is also a corporation?

Mr. FINDLEY. I will say to the gentleman that I am putting in the RECORD today the details of the regulations which have been used by the Department in

the past few years which spell out the definitions of "person." If a person has a corporate interest the amount of income he acquires from that corporation will be counted in computing that limitation.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. MELCHER, and by unanimous consent, Mr. FINDLEY was allowed to proceed for 1 additional minute.)

Mr. MELCHER. Mr. Chairman, will the gentleman yield further?

Mr. FINDLEY. I yield further to the gentleman from Montana.

Mr. MELCHER. I thank the gentleman for again yielding to me.

I would also like to ask the gentleman how the proposed amendment would treat a State with a vast amount of school land, and how it would treat Indian reservations with numerous Indians who do not farm, but whose land is farmed?

Mr. FINDLEY. Any association or governmental subdivision which signs up as a cooperator under the commodity program would be classified as a person.

Mr. MELCHER. In other words, the State school land would be limited to \$20,000?

Mr. FINDLEY. That is correct, and I think it should be.

Mr. MELCHER. I thank the gentleman for his explanation, but I must point out that Montana schools and Montana Indians might seriously be damaged by this amendment. Unless consideration is given to the practical effect of what appears to be a simple amendment we could fund Montana school land and Indian lands farmed by tenants or on a share basis forced out of the farm program. This would greatly reduce the income of both the schools and the Indians. In both cases this can be avoided by properly drafting a payment limitations. Such is not the case with this amendment.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. WHITTEN. Mr. Chairman, I originally reserved a point of order on the amendment, if I may call that to the attention of the Chair.

The CHAIRMAN. Does the gentleman from Mississippi desire to be heard on his point of order?

Mr. WHITTEN. I do, Mr. Chairman.

If the Chair will note, the amendment is offered to a particular section of the bill, but the language provides that "none of the funds appropriated by this act," so it is a limitation, which means it applies to the Commodity Credit Corporation. The Commodity Credit Corporation was created under the laws of Delaware in 1933. It was given the power, it was given the right, and it was given the obligation of making payments, to make loans under the Corporation Control Act, and it was provided that nothing in that act should let the Congress prevent the corporation from discharging its functions. I might say the same thing applies to the TVA.

I respectfully, therefore, submit, Mr. Chairman, that to change the Corpora-

tion Control Act and to relieve it of its responsibilities which have been carefully protected by the Congress on at least two occasions, even in the Anti-Deficiency Act, which was some years later, would take legislation. It can only be done that way, and since it would require legislation to change it, anything that has that effect here of necessity must be legislation.

The CHAIRMAN. Does the gentleman from Illinois desire to be heard on the point of order?

Mr. FINDLEY. I do, Mr. Chairman.

Mr. Chairman, I rise in opposition to the point of order. This is the similar argument that has been extended by the gentleman from Mississippi on several previous occasions. One such occasion was January 26, 1965; another occasion was June 6, 1967, and another occasion related to an amendment offered by the gentleman from Massachusetts (Mr. CONTE) on May 26, 1969.

On each of those occasions the limitation went to the entire act, as does this amendment. It stated on each occasion that "no part of this appropriation shall be used, or none of the funds appropriated by this act,"—language of that sort. The language applies to administrative salaries of ASDA organizations. The limitation is clearly negative on its face. It clearly shows retrenchment, the reduction in spending, and, therefore, is entirely within the Holman Rule, and I believe it is completely in order.

The CHAIRMAN. The Chair is prepared to rule.

As the gentleman from Illinois declares, the point of order and the arguments supporting it have been offered on previous occasions, and on occasion by the gentleman from Mississippi, as recently as the 26th of May last year.

This point was made last year with respect to an amendment offered by the gentleman from Massachusetts (Mr. CONTE), which, while not identical, is, in the opinion of the Chair, sufficiently similar to the presently offered amendment, as to govern.

On that occasion the gentleman from Massachusetts offered an amendment which would have provided:

That no part of the funds appropriated by this Act shall be used to formulate or carry out any price support program (other than for sugar) under which payments aggregating more than \$20,000 under all such programs are made to any producer or any crops planted in the fiscal year 1970.

On the basis of previous rulings of the Chair, it is the opinion of the present occupant of the chair, that the amendment offered by the gentleman from Illinois is a limitation on an appropriation bill and is therefore in order.

The point of order is overruled.

Mr. CONTE. Mr. Chairman, I rise in opposition to the amendment.

(Mr. CONTE asked and was given permission to revise and extend his remarks.)

Mr. CONTE. Mr. Chairman, the gentleman who just preceded me mentioned me. He said that he had hoped I would walk up the aisle with him and that I had told him I was going to offer an amendment for \$10,000.

Of course I plan to offer an amendment for \$10,000. I intend to offer it when the legislative bill comes here.

When we were debating the foreign aid bill here on Thursday, he spoke to me. He came up to the desk and said, "Are you going to offer an amendment?" I said, "Paul, I think this is the wrong way to do it."

Twice, I have won this battle. I won after battles here on the floor and then the Senate did not go along with us.

Mr. Chairman, in all seriousness I met with the gentleman at a meeting with this ad hoc committee from the legislative agricultural committee and we tried to come out with compromise proposals. I think we are going to make some real headway, as I said earlier on the floor of the House today. Secretary Hardin is the first Secretary of Agriculture to come out and say that we will have to have some kind of payment limitation. He is the very first.

I do disagree with his \$110,000 per crop proposal which is way too high and ridiculous.

But I had breakfast with him, and the gentleman from Illinois (Mr. FINDLEY) was there and others—the gentleman from Minnesota (Mr. QUIE) was with me. Several weeks ago I told him it was too high and I thought we got some results out of that meeting. He did not commit himself to any figure, but our discussion would indicate that the Agriculture Department would settle for less.

With the ad hoc committee, I thought we made progress and they were going to bring that recommendation back to Mr. POAGE's committee. But, unfortunately, our agreement with the committee blew up and nothing happened.

Some may try to scare us and say that there may not be an Ag bill this year. But to folks like myself who are opposed to these scandalous high payments this is the best thing that could happen, since there would then be no farm subsidy payments except for sugar. If the present act expires, these subsidy payments cease, and the law reverts back to the old loan program. So we have nothing to lose. We can wait this thing out.

With any sound limitation payment we must have strong language to prevent them from subdividing these large tracts of land. This is the way the big farmers can get around the amendment. They will set up all these dummy corporate entities and they will collect \$20,000 each. Instead of one big farm being reduced to \$20,000, there may be 50 getting \$20,000.

This is what I want to prevent. When Mr. POAGE's committee gets ready to bring out a bill, I want to make sure the limitation is low and that we have strong language against subdividing to get around a payment limitation.

This is what I want to do when Mr. POAGE's committee gets ready to bring out a bill, to put on a good tight amendment. If they do not come out with an agreeable one, we will get a bonafide limitation, I warn you right now, with tight language so they cannot get around a limitation.

I am sorry I have to be put in this embarrassing position after carrying this battle for years on the floor of the House, but it is the only right and sensible thing to do. If no amendment goes on, I have the agreement I will offer the amendment to strike out section 508, and my friend from Mississippi said he would go along with me and recommend to the committee that it be stricken out. So I hope the amendment will be defeated.

Mr. BELCHER. Mr. Chairman, I rise in opposition to the amendment. I think I am in about the most neutral position of any Member of the House. I do not get even a dollar in my district for any kind of farm payments, not \$20,000, not \$4 million.

Apparently the two champions of this cutting of payments have fallen out with each other. The gentleman from Illinois gets \$49 million in his district. I do not get any. It is all right for his district to get \$49 million if you just spread it around far enough. You do not spread anything around in my district at all.

You might say, "Well, then, why would you oppose a limitation of payments when you do not have any payments in your district, little or big?"

I will tell you why I do that. In the first place, the limitation of payments is going to eventually, and maybe in not too long a time, completely destroy farm programs. You gentlemen over there who represent consumers will say, "So what? The quicker we get rid of them the more money we will save for the taxpayers."

Maybe you will. You will save maybe \$3 or \$4 billion. But if you bring on a farm depression in this country, which happened in the 1930's, when wheat sold for 26 cents a bushel and corn sold for 11 cents, your people back home are not going to have jobs any more than they did during the 1930's, because when you destroy the largest industry in the country, you will destroy the entire economy of the entire country.

I represent a metropolitan city that has a lot of manufacturing. A lot of the products that are sold out of that city eventually go to the farm trade, and if we do not have any farm trade, I am going to be hurt and my district is going to be hurt just as much as the rest of you.

So when you think that it does not concern me because nobody in my district gets anything, I point out that what you do with a farm bill is that you buy the reduction of production, and when you buy \$4 million of reduction in production, you help every little farmer in the country, and when you drive the big boys out—and they will have to go out with any kind of proposed figures—when you drive them out, they will produce enough stuff that there will be no little farmers left, and then you fellows in the cities will have to support those people with your aid programs.

So everybody in this House is interested in a farm bill, because without that you are going to ruin the economy of the country, and the quickest way to ruin the farm bill is to put on a limitation of payments.

I know it is a great publicity stunt. Anybody in the world can make the most

horrible statements about why our men should get \$3 million to not do anything. Well, that is fine, but what about all the other subsidies in this country? Ever since the beginning of the country we have had subsidies of all kinds.

The reason for those subsidies was to help the economy of the whole country. We have not had any more subsidies for farmers than we have had for businessmen and laborers and others. So to those people who feel they are just not concerned in this battle between Massachusetts and Illinois and who gets the credit for running the farm program, I say they are concerned.

Mr. WHITTEN. Mr. Chairman, I move to strike the requisite number of words. (Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Chairman, mention was made of section 508, which I talked about earlier, which reads as follows:

SEC. 508. No part of the funds appropriated in this Act shall be used to change any price support program payment or payments, or commodity loan or loans in any manner, the effect of which is to modify substantive law.

My purpose there was to permit the legislative committee and the Congress to pass an agricultural act. I thought it ill became us to interfere with that, and not only because of that, but also because it was thoroughly unsound to try to write in this appropriation bill restrictions and limitations, and in a sense to try to write a bill that properly belongs to another committee and belongs to the Congress.

But in the event this amendment is defeated, there will be no further need for that section, so I will recommend to the subcommittee, and I believe it will go along with me, that this section will be no longer needed, and we will thereby be leaving it in the Subcommittee on Agriculture where it should be, so that committee can work its will and so this Congress can work its will.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. FINDLEY).

The amendment was rejected.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

RURAL WATER AND WASTE DISPOSAL GRANTS

For grants pursuant to sections 306(a)(2) and 306(a)(6) of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1926), \$56,000,000.

AMENDMENT OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Iowa: On page 32, lines 24 and 25, delete "\$56,000,000" and insert in lieu thereof "\$100,000,000".

Mr. SMITH of Iowa. Mr. Chairman, this amendment would increase from \$56 million up to \$100 million the amount of money available for the rural water and sewer program.

The so-called rural water and sewer program applies to communities of 5,500 and under. Last year the Department returned \$276 million of these applications for lack of money. This is one im-

portant place where money is really needed in this country if we are going to fight pollution.

We hear a lot about the urban crisis. Indeed there is an urban crisis. But when we look at the statistics we find that there are more people below the poverty level in this country who are in the non-metropolitan areas than in metropolitan areas even though there are less than half as many people in the non-metropolitan areas.

Indeed, there is an urban crisis that is being fed from the nonmetropolitan areas.

These people have been unable to provide water and sewer systems that they need. We find also that an astounding 30 percent of the homes in these areas have no plumbing. These are the areas where we really need to put the effort on anti-pollution.

Also last year we increased, under another program for urban areas, the amount of money from \$214 million up to \$800 million, and under another program this year from \$150 million to \$500 million. This rural program last year had \$46 million and \$276 million of applications were returned for lack of money.

I want to commend the committee for what it has done in this bill. I believe it is a good bill. They are really making an effort in this regard. But I believe this is one place where we really ought to put extra emphasis and provide the amount of money authorized.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Iowa.

Mr. KYL. I join the gentleman, and I would add this further dimension to his reasoning. The Federal Government and its officials have for a number of years promised approval of projects to these smaller communities, many of which, incidentally, are on the perimeters of larger cities and help to relieve the pressures on the larger cities, but because of the funding level the Federal Government has actually broken faith with a number of these small towns. They were told they would get the projects. They have had project applications in for 3 or 4 or 5 years. Always they are told, "You will get the project." But each year we find them delayed again and again.

The gentleman is correct. These are worthwhile projects in this environmental battle, trying to solve the problems of the cities as well as the problems of the small towns.

Mr. SMITH of Iowa. The gentleman brings up another good point. Some of these applicants are right on the perimeter of the cities. If they are not organized as a public corporation, they are not eligible under the other law and there is no way to secure the needed funds under the other law. This amendment is needed and this is a way to help the city problem at the same time.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Illinois.

Mr. FINDLEY. I want to congratulate the gentleman on this amendment. I believe it is a much needed increase in the

funding for this essential project and would benefit all rural areas.

Mr. SMITH of Iowa. Again I commend the subcommittee for this bill and for what they have done. They have done a great deal, but I just do not believe they have done enough on this program. I hope they will not fight this amendment vigorously.

Mr. SCHADEBERG. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Wisconsin.

Mr. SCHADEBERG. I wish to associate myself with the remarks of the gentleman in the well, because I believe, also, this is a very important part of the environmental program, and certainly will go a long way toward helping not only in the rural areas but also in the cities and towns.

Mr. SMITH of Iowa. I thank the gentleman.

Mr. WHITTEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I use those words intentionally. I strongly support this program, too. In addition may I say I know of no Member of Congress for whom I have a higher regard than the gentleman from Iowa, NEAL SMITH who offered this amendment.

I will tell the Members, it is pretty hard sometimes to hold the position I do having here to present what the committee felt we could get through. Having grown up in the rural community where as I have frequently said we needed to strike water worse than we did oil, I know what we are all talking about here.

May I say to you that it sounds mighty good to provide a whole lot of money, and we have done it a lot of times when it did no good. Last year your subcommittee recommended and the Congress approved an increase from \$24 million to \$46 million \$18 million was frozen, and finally we did get this sum released about 60 days ago.

This is not the only money in this bill. We provide \$74 million available for loans.

I always believe in progress in this area and I know that the Nation needs it. It was the belief that we could get more progress if we follow a consistent basis and get the money released than to have a higher figure and have the funds frozen. In this bill we have gone from \$24 million to \$56 million. I have not figured it out, but that is about a 135-percent increase. This \$56 million is in grant money. We thought we could really make better progress that way, for our trouble this year was not because we did not appropriate but because we could not get the funds released. Our subcommittee has done the best that it could do. We are dealing with a subject here that is very complicated, and we want you to know that we are just as vitally interested in it as anyone else. Perhaps attitudes have changed. The need is certainly there.

If the \$100 million figure is substituted, it certainly will not upset me so far as my sympathy personally is concerned and my belief in the program. As chairman of this subcommittee for some 16 or 18 years, I believe we carried this

about as fast as we could get by with, and I personally do not care to antagonize the Bureau of the Budget and have half of what we have in this bill frozen.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. I appreciate the gentleman's words. I know he is sincere and he has done a lot for this program. In reference to how much the administration will distribute, I remember that last year the administration asked for \$214 million for an urban pollution program and later after we appropriated \$800 million they told us that they could use \$800 million. So I think they are capable of changing their mind if we show that we intend to do something about it, too.

Mr. WHITTEN. You could be right. I certainly hope so.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Iowa.

Mr. KYL. There is another factor involved, I will say to the gentleman from Mississippi. There have been very few or relatively few applications for this program in the last couple of years. In other words, this is not a progressive proposition. The applications which are pending and could use the amount of money that the gentleman from Iowa suggests are applications which have been in and which are approved and simply need a signature for approval if the funds are available.

Mr. WHITTEN. If the gentleman will allow me to say this, let me mention some of the things involved that we went through in this subcommittee with the REA program. As the gentleman knows, I believe in area coverage and I want to cover the country like a blanket. But if you do not mind, in your haste you will have some small pipes at your well and inside of 18 months you will have to dig them all up because the people who move—

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. WHITTEN was allowed to proceed for 5 additional minutes.)

Mr. WHITTEN. Mr. Chairman, I am trying to say that you need proper planning too. I do not say that you could not use \$100 million. I am talking about whether you can do it in the next 12 months. I will go along with you with the fact that it takes a lot of investment, but we have to make studies in order to find out how to do it and it also takes proper planning. We have already a number of places throughout the United States where we are trying to get on as fast as we can with the amount of money that we have. I am in accord with my friend from Iowa. I am for all of the money being spent, but you do not always get more progress in trying to spend it too fast without proper planning. I am sympathetic with the gentleman in his procedure. I say, though, that the subcommittee has raised this 135 percent above the budget, and that is a pretty substantial increase, in my opinion.

Mr. KYL. Will the gentleman yield further?

Mr. WHITTEN. Yes, I yield to the gentleman.

Mr. KYL. I would not want the gentleman to think that these applications have not been appropriately engineered and approved.

Mr. WHITTEN. A whole lot of them have not, if I may say so, looking to the future growth.

Mr. KYL. I would hope that future growth does occur, but I say again to the gentleman from Mississippi that unless we get sewer and water systems that growth will not occur.

Mr. WHITTEN. Again may I say it is the rate of speed that we can progress, because we are surely headed the same way with the same desires.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. SMITH).

The question was taken; and on a division (demanded by Mr. MAHON) there were—ayes 64, noes 45.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 508. No part of the funds appropriated in this Act shall be used to change any price support program payment or payments, or commodity loan or loans in any manner, the effect of which is to modify substantive law.

AMENDMENT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONTE: On page 39, lines 8 through 11, strike all of section 508.

Mr. WHITTEN. Mr. Chairman, will the gentleman from Massachusetts yield to me?

Mr. CONTE. I will be glad to yield to the distinguished gentleman.

Mr. WHITTEN. Mr. Chairman, may I say to the gentleman that I have discussed this matter with the members of the subcommittee that I could contact at this time, and there are no objections on the part of those members, and unless some individual member does have an objection—and if so, I will be glad to hear from that member at this time—otherwise, on behalf of the subcommittee we will accept the amendment.

Mr. LANGEN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Minnesota.

Mr. LANGEN. Mr. Chairman, there is no objection to the amendment from this side.

Mr. CONTE. I thank the gentlemen.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the bill.

Mr. WHITTEN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WRIGHT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 17923) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. WHITTEN. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

Mr. GROSS. Mr. Speaker, reserving the right to object, do I understand the committee is not asking for consideration of or preparing to file a rule with respect to postal reform legislation?

Mr. MATSUNAGA. The gentleman from Iowa is correct in his understanding.

Mr. GROSS. That is not a part of your request?

Mr. MATSUNAGA. It is not a part of my request.

Mr. GROSS. I thank the gentleman. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii (Mr. MATSUNAGA)?

There was no objection.

LEGISLATIVE PROGRAM FOR BALANCE OF WEEK

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute.)

Mr. GERALD R. FORD. Mr. Speaker, I take this time for the purpose of asking the distinguished majority leader the program for the rest of the week and if there are any changes from the announced program as contained in the whip notice.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the distinguished majority leader.

Mr. ALBERT. In response to the inquiry of the distinguished minority leader and pursuant to the reservation made in connection with the announcement of this week's program, we are making some changes in the program, which are due to the fact that a rule has not been granted on the postal reform bill which was scheduled for tomorrow. In lieu of postal reform bill we are programming for tomorrow, H.R. 17255, a bill to amend the Clean Air Act.

If that bill is quickly disposed of, that is in time for the consideration of another antipollution bill, we will call up H.R. 11833, a bill to amend the Solid Waste Disposal Act.

On Thursday of this week, if the postal reform bill is not ready for consideration, we will program the bill, H.R. 17970, which is the military construction appropriation bill for the fiscal year ending June 30, 1971.

This is tentative. The postal reform bill still has the right of way, but we are giving the Members as much notice as possible that the military construction bill might be up on Thursday.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman.

Mr. HALL. Is the possible consideration on Thursday of the military construction appropriation bill referred to by the distinguished majority leader the one for which the request to file a report by midnight tonight was just granted by unanimous consent?

Mr. ALBERT. It is my understanding that the request was granted with respect to the other two bills.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. HALL. Mr. Speaker, if the gentleman would continue to yield, I should like to complete my question. My question is this: Could the distinguished majority leader give us any idea about what will be the content of the rulemaking in order consideration of the military construction appropriation bill before the authorization bill is voted into law?

Mr. MAHON. Mr. Speaker, will the gentleman from Michigan yield?

Mr. GERALD R. FORD. I yield to the distinguished chairman of the Committee on Appropriations.

Mr. MAHON. Mr. Speaker, as I understand, the Committee on Rules has agreed to give a rule on the military construction bill, the rule being required

because while the authorization has passed the House, it has not cleared the other body, and, therefore, a rule will be necessary in view of the lack of authorization having been enacted into law. If the bill were brought up tomorrow, as had been contemplated at one time, then a rule would have been necessary, because the 3-day period would not have expired, the bill having been reported on Monday; but now that it is not contemplated that the military construction bill will be brought up tomorrow, the 3-day requirement will be met and a different type of rule will be required. We will not have to waive in that rule the 3-day requirement.

Mr. ALBERT. Mr. Speaker, will the gentleman yield further?

Mr. GERALD R. FORD. I yield to the majority leader.

Mr. ALBERT. The request, as I understand it—and I hope I am correct—includes both the bill from the Committee on Interstate and Foreign Commerce and the Appropriations bill. That is my understanding of the request, and that makes in the order the three bills I have announced for the remainder of the week, provided we do not consider the postal reform bill.

Mr. HALL. Mr. Speaker, will the gentleman yield further?

Mr. GERALD R. FORD. I yield to the gentleman from Missouri.

Mr. HALL. I appreciate the gentleman's yielding and I appreciate the statement of the chairman of the Committee on Appropriations, but we leave out the observation that the rule must, under such circumstances, waive points of order in addition to making it in order under the 3-day rule in accordance with the rules of the House. Does the rule as contemplated to be filed by midnight waive points of order on the military construction bill?

Mr. ALBERT. Mr. Speaker, will the gentleman yield further?

Mr. GERALD R. FORD. I yield to the gentleman from Oklahoma.

Mr. ALBERT. My understanding is that a waiver of the 3-day rule is no longer necessary with respect to the military construction appropriation bill. It was reported in that manner on the possibility that it might be brought up on Wednesday. Instead, we are calling it up on Thursday if we do not call up the postal reform bill, and the waiver of the 3-day rule is no longer needed.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the chairman of the Appropriations Committee.

Mr. MAHON. But a rule will be required waiving points of order on the military construction bill because we do not have the complete authorization, and that was the main purpose of the rule.

Mr. ALBERT. Mr. Speaker, if the gentleman will yield further, a rule has already been granted waiving points of order. Permission has already been granted to file that rule, and the two rules from the Committee on Interstate and Foreign Commerce.

Mr. PEPPER. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Florida.

Mr. PEPPER. I wish to propound an inquiry, if I may, to the majority leader. I have had a number of inquiries as to when the bill H.R. 8298, known as the mixing bill, or the water transportation bill, was going to come up for consideration. Can the able Leader give us any indication of that?

Mr. ALBERT. This matter has become a matter of privilege with members of the Committee on Rules, of which the gentleman is a member. It can be called up as a matter of privilege, as I understand, at any time. Would the gentleman like to suggest a time, in view of the fact that the gentleman is serving notice, as I take it, that he intends to call this bill up as a matter of privilege?

Mr. PEPPER. I had naturally supposed that that was the prerogative of the leadership, and I shall be glad to cooperate on it.

Mr. ALBERT. It is not a matter of cooperation. It is a matter of right.

Mr. PEPPER. Would there be an opportunity to do so this week at any time?

Mr. ALBERT. I would appreciate it if the gentleman would put it over to some day next week. Could the gentleman suggest a day certain next week?

Mr. PEPPER. Maybe Monday or Tuesday of next week?

Mr. ALBERT. Monday would be all right.

Mr. PEPPER. If it would be agreeable, I would like to call it up on Monday.

Mr. ALBERT. In view of the statement of the gentleman from Florida, I will be glad to cooperate and to program that bill on Monday.

Mr. PEPPER. Very good. I thank the able gentleman.

Mr. GERALD R. FORD. Mr. Speaker, if the distinguished majority leader will await final decision on that and if the gentleman from Florida will withhold, as the distinguished majority leader knows, I have been talking to him, and I understand others have, about the possibility, if the Rules Committee does not act on the postal reform on Thursday, of starting general debate after the Flag-Day ceremonies on Monday on the postal reform legislation.

Mr. ALBERT. Mr. Speaker, if the gentleman will yield further, of course, this is a matter of high privilege, and I would suggest if the gentleman has no objection, that if we do not dispose of the postal reform bill, that H.R. 8298 be made the first bill on the program subsequent to disposition of the postal reform bill. Is that agreeable?

Mr. PEPPER. I regret to say I have a hearing scheduled for the Crime Committee beginning out of the city. Monday or Tuesday would be a suitable day, or I could defer it until the following week, but I would hope an opportunity might occur so we could do it on Monday or Tuesday. Of course, we want to cooperate with the majority leader.

Mr. ALBERT. Of course, the gentleman understands the necessity for programming the postal reform bill when it is ready.

Mr. PEPPER. Could we set it for Monday and then if circumstances did re-

quire deferment, we would work out an agreeable date?

Mr. ALBERT. That is agreeable with me.

Mr. PEPPER. I thank the gentleman.

RURAL AREA DEVELOPMENT IN COUNTIES LOCATED IN NATIONAL FOREST LAND

(Mr. ICHORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ICHORD. Mr. Speaker, today I am joined by the Honorable CARL ALBERT and 14 other colleagues in the introduction of legislation designed as a catalyst for rural area development in counties located in national forest land. The bill I am introducing would set aside for the discretionary use of the Secretary of Agriculture 55 percent of all funds derived from national forest land to be used expressly for the construction of beneficial renewal land surface projects and/or additional resource management activities within the national forest of origin of such funds.

At the present time according to provisions of a Forest Service revenue sharing program authorized under 16 U.S.C. 500, 25 percent of the net revenues received during any fiscal year from national forests is paid to the State treasury of each State containing national forests and is stipulated by Federal statute to be expended as the State legislature may prescribe for the benefit of "public schools and public roads" in the county or counties of origin. The receipts vary and are derived from sales of timber, forest products, contracts, land use permits, recreational purposes, power permits, and other contractual agreements.

Ten percent of the net revenue from forest service lands is also reserved for use of the Forest Service to be expended by the Secretary of Agriculture for the construction and maintenance of roads and trails within the national forests of the United States.

The other 65 percent of the net Forest Service receipts is retained in the Federal Treasury. My bill would not interrupt in any way the 25-percent allocation of funds earmarked for public schools and public roads or the 10 percent earmarked for Forest Service roads and trails. It would set aside 55 percent of the remaining funds for land development programs, resource preservation and other constructive programs, leaving 10 percent in the National Treasury.

The U.S. Forest Service owns and has jurisdiction over nearly 200 million acres of land in the United States, located in 45 of the 50 States. In 1969, total gross receipts from all sources of revenue from National Forest Service land amounted to about \$1,200 million.

In my own State of Missouri, the Forest Service lands are situated in underdeveloped and undeveloped areas of the State where income is low and where the "payment in lieu of taxes" obtained from the Forest Service does not proportionately bear the cost of county governmental programs and administrative ex-

H. R. 17923

AN ACT

91ST CONGRESS
2^D SESSION

H. R. 17923

IN THE SENATE OF THE UNITED STATES

JUNE 10, 1970

Read twice and referred to the Committee on Appropriations

AN ACT

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the Depart-
5 ment of Agriculture and related agencies for the fiscal
6 year ending June 30, 1971, and for other purposes; namely:

1 DEPARTMENT OF AGRICULTURE

2 TITLE I—GENERAL ACTIVITIES

3 AGRICULTURAL RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For expenses necessary to perform agricultural research
6 relating to production, utilization, marketing, nutrition and
7 consumer use, to control and eradicate pests and plant and
8 animal diseases, and to perform related inspection, quaran-
9 tine and regulatory work: *Provided*, That appropriations
10 hereunder shall be available for field employment pursuant
11 to the second sentence of section 706 (a) of the Organic Act
12 of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall
13 be available for employment under 5 U.S.C. 3109: *Provided*
14 *further*, That appropriations hereunder shall be available for
15 the operation and maintenance of aircraft and the purchase
16 of not to exceed two for replacement only: *Provided further*,
17 That appropriations hereunder shall be available pursuant to
18 7 U.S.C. 2250, for the construction, alteration, and repair
19 of buildings and improvements, but unless otherwise pro-
20 vided, the cost of constructing any one building (except
21 headhouses connecting greenhouses) shall not exceed \$25,-
22 000, except for six buildings to be constructed or improved
23 at a cost not to exceed \$55,000 each, and the cost of altering
24 any one building during the fiscal year shall not exceed
25 \$7,500 or 7.5 per centum of the cost of the building, which-

1 ever is greater: *Provided further*, That the limitations on
2 alterations contained in this Act shall not apply to a total of
3 \$100,000 for facilities at Beltsville, Maryland: *Provided*
4 *further*, That the limitations on construction contained in
5 this Act shall not apply to a total of \$350,000 for construc-
6 tion of a post-mortem and incenerator facility for animal
7 disease and parasite research:

8 Research: For research and demonstrations on the pro-
9 duction and utilization of agricultural products; agricultural
10 marketing and distribution, not otherwise provided for; home
11 economics or nutrition and consumer use of agricultural and
12 associated products; and related research and services; and
13 for acquisition of land by donation, exchange, or purchase at
14 a nominal cost not to exceed \$100; \$146,143,200, and in
15 addition not to exceed \$15,000,000 from funds available
16 under section 32 of the Act of August 24, 1935, pursuant
17 to Public Law 88-250 shall be transferred to and merged
18 with this appropriation, except that \$1,000,000 of the fore-
19 going amount shall be available for matching with funds
20 utilized for research under Public Law 89-502, and \$1,-
21 500,000 shall remain available until expended for plans, con-
22 struction, and improvement of facilities without regard to
23 limitations contained herein: *Provided*, That the limita-
24 tions contained herein shall not apply to replacement of
25 buildings needed to carry out the Act of April 24, 1948

1 (21 U.S.C. 113a) : *Provided further*, That none of the funds
2 appropriated in this Act shall be used to formulate a budget
3 estimate for fiscal 1972 of more than \$15,000,000 for
4 research to be financed by transfer from funds available
5 under section 32 of the Act of August 24, 1935, and pur-
6 suant to Public Law 88-250;

7 Plant and animal disease and pest control: For opera-
8 tions and measures, not otherwise provided for, to control and
9 eradicate pests and plant and animal diseases and for carry-
10 ing out assigned inspection, quarantine, and regulatory ac-
11 tivities, as authorized by law, including expenses pursuant to
12 the Act of February 28, 1947, as amended (21 U.S.C.
13 114b-c) , \$98,619,750, of which \$2,000,000 shall be appor-
14 tioned for use pursuant to section 3679 of the Revised
15 Statutes, as amended, for the control of outbreaks of insects,
16 plant diseases and animal diseases to the extent necessary
17 to meet emergency conditions: *Provided*, That no funds
18 shall be used to formulate or administer a brucellosis eradica-
19 tion program for the current fiscal year that does not require
20 minimum matching by any State of at least 40 per centum:
21 *Provided further*, That, in addition, in emergencies which
22 threaten the livestock or poultry industries of the country,
23 the Secretary may transfer from other appropriations or
24 funds available to the agencies or corporations of the Depart-
25 ment such sums as he may deem necessary, to be available

only in such emergencies for the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, and for expenses in accordance with the Act of February 28, 1947, as amended, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts;

Special fund: To provide for additional labor, subprofessional and junior scientific help to be employed under contracts and cooperative agreements to strengthen the work at research installations in the field, not more than \$2,000,000 of the amount appropriated under this head for the previous fiscal year may be used by the Administrator of the Agricultural Research Service in departmental research programs in the current fiscal year, the amount so used to be transferred to and merged with the appropriation otherwise available under "Salaries and expenses, Research".

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments, in foreign currencies owed to or owned by the United States for market development research authorized by section 104 (b) (1) and for agricultural and forestry research and other functions related thereto authorized by section 104 (b) (3) of the Agricultural Trade Development

1 and Assistance Act of 1954, as amended (7 U.S.C. 1704 (b)
2 (1), (3)), \$5,000,000, to remain available until expended:
3 *Provided*, That this appropriation shall be available, in addi-
4 tion to other appropriations for these purposes, for payments
5 in the foregoing currencies: *Provided further*, That funds ap-
6 propriated herein shall be used for payments in such foreign
7 currencies as the Department determines are needed and
8 can be used most effectively to carry out the purposes of this
9 paragraph: *Provided further*, That not to exceed \$25,000
10 of this appropriation shall be available for payments in for-
11 eign currencies for expenses of employment pursuant to the
12 second sentence of section 706 (a) of the Organic Act of
13 1944 (7 U.S.C. 2225), as amended by 5 U.S.C. 3109.

14 COOPERATIVE STATE RESEARCH SERVICE

15 PAYMENTS AND EXPENSES

16 For payments to agricultural experiment stations, for
17 grants for cooperative forestry and other research, for facili-
18 ties, and for other expenses, including \$58,390,000 to carry
19 into effect the provisions of the Hatch Act, approved March
20 2, 1887, as amended by the Act approved August 11, 1955
21 (7 U.S.C. 361a-361i), including administration by the
22 United States Department of Agriculture; \$4,012,000 for
23 grants for cooperative forestry research under the Act ap-
24 proved October 10, 1962 (16 U.S.C. 582a-582a-7), \$2,-
25 000,000, in addition to funds otherwise available for con-

1 tracts and grants for scientific research under the Act of Au-
2 gust 4, 1965 (7 U.S.C. 450i), of which \$1,000,000 shall be
3 for the special cotton research program and \$400,000 for
4 soybean research; \$160,000 for penalty mail costs of agri-
5 cultural experiment stations under section 6 of the Hatch Act
6 of 1887, as amended; and \$514,000 for necessary expenses
7 of the Cooperative State Research Service, including ad-
8 ministration of payments to State agricultural experiment
9 stations, funds for employment pursuant to the second sen-
10 tence of section 706 (a) of the Organic Act of 1944 (7
11 U.S.C. 2225), and not to exceed \$50,000 for employment
12 under 5 U.S.C. 3109; in all, \$65,076,000.

13 EXTENSION SERVICE

14 COOPERATIVE EXTENSION WORK, PAYMENTS AND

15 EXPENSES

16 Payments to States and Puerto Rico: For payments
17 for cooperative agricultural extension work under the Smith-
18 Lever Act, as amended by the Act of June 26, 1953, the
19 Act of August 11, 1955, and the Act of October 5, 1962
20 (7 U.S.C. 341-349), to be distributed under sections 3 (b)
21 and 3 (c) of the Act, \$89,321,000; payments for the nutri-
22 tion education program for low-income areas under section
23 3 (d) of the Act, \$48,560,000; payments and contracts for
24 such work under section 204 (b)-205 of the Agricultural
25 Marketing Act of 1946 (7 U.S.C. 1623-1624), \$1,450,000;

1 and payments for extension work under section 109 of the
2 District of Columbia Public Education Act, as amended by
3 the Act of June 20, 1968 (7 U.S.C. 329), \$700,000; in
4 all, \$140,031,000: *Provided*, That funds hereby appropri-
5 ated pursuant to section 3 (c) of the Act of June 26, 1953,
6 shall not be paid to any State or Puerto Rico prior to avail-
7 ability of an equal sum from non-Federal sources for expendi-
8 ture during the current fiscal year.

9 Retirement and employees' compensation costs for ex-
10 tension agents: For cost of employer's share of Federal
11 retirement and for reimbursement for benefits paid from the
12 Employees' Compensation Fund for cooperative extension
13 employees, \$13,515,000.

14 Penalty mail: For costs of penalty mail for cooperative
15 extension agents and State extension directors, \$3,617,000.

16 Federal Extension Service: For administration of the
17 Smith-Lever Act, as amended by the Act of June 26, 1953,
18 the Act of August 11, 1955, and the Act of October 5,
19 1962 (7 U.S.C. 341-349), and extension aspects of the
20 Agricultural Marketing Act of 1946 (7 U.S.C. 1621-
21 1627), and of the District of Columbia Public Education
22 Act, as amended by the Act of June 20, 1968 (7 U.S.C.
23 329), and to coordinate and provide program leadership
24 for the extension work of the Department and the several
25 States and insular possessions, \$4,188,000.

1 FARMER COOPERATIVE SERVICE

2 SALARIES AND EXPENSES

3 For necessary expenses to carry out the Act of July 2,
4 1926 (7 U.S.C. 451-457), and for conducting research
5 relating to the economic and marketing aspects of farmer co-
6 operatives, as authorized by the Agricultural Marketing Act
7 of 1946 (7 U.S.C. 1621-1627), \$1,649,000.

8 SOIL CONSERVATION SERVICE

9 CONSERVATION OPERATIONS

10 For necessary expenses for carrying out the provisions
11 of the Act of April 27, 1935 (16 U.S.C. 590a-590f), in-
12 cluding preparation of conservation plans and establishment
13 of measures to conserve soil and water (including farm irri-
14 gation and land drainage and such special measures for soil
15 and water management as may be necessary to prevent
16 floods and the siltation of reservoirs and to control agricul-
17 tural related pollutants); operation of conservation plant
18 materials centers; classification and mapping of soil; dis-
19 semination of information; purchase and erection or alteration
20 of permanent buildings; and operation and maintenance of
21 aircraft, \$128,557,000, with which shall be merged the
22 unexpended balance of funds appropriated for the previous
23 fiscal year under this head: *Provided*, That Public Law
24 40, Eighty-fourth Congress, making appropriations for the

1 Department of Agriculture and Farm Credit Administration
2 for the fiscal year ending June 30, 1956, and for other
3 purposes, is hereby amended by striking out the period
4 following the last proviso in the section entitled "Flood
5 Prevention", substituting a comma and adding the follow-
6 ing: "and where the Army does have jurisdiction and
7 responsibility, may enter into agreements with the Army
8 to carry out jointly the measures heretofore set out and
9 in areas where the Secretary is authorized to purchase land
10 rights for structural measures, the Secretary in lieu of such
11 acquisition, may reimburse local organizations for such pro-
12 portionate share of the cost of land rights furnished by local
13 organizations as the Secretary deems equitable in considera-
14 tion of the national interest.": *Provided further*, That the
15 cost of any permanent building purchased, erected, or as im-
16 proved, exclusive of the cost of constructing a water supply
17 or sanitary system and connecting the same to any such build-
18 ing and with the exception of buildings acquired in conjunc-
19 tion with land being purchased for other purposes, shall not
20 exceed \$2,500, except for one building to be constructed at a
21 cost not to exceed \$25,000 and eight buildings to be con-
22 structed or improved at a cost not to exceed \$15,000 per
23 building and except that alterations or improvements to other
24 existing permanent buildings costing \$2,500 or more may be
25 made in any fiscal year in an amount not to exceed \$500 per

1 building: *Provided further*, That no part of this appropria-
2 tion shall be available for the construction of any such build-
3 ing on land not owned by the Government: *Provided further*,
4 That no part of this appropriation may be expended for soil
5 and water conservation operations under the Act of April 27,
6 1935 (16 U.S.C. 590a-590f) in demonstration projects:
7 *Provided further*, That this appropriation shall be available
8 for field employment pursuant to the second sentence of sec-
9 tion 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225),
10 and not to exceed \$5,000 shall be available for employment
11 under 5 U.S.C. 3109: *Provided further*, That qualified local
12 engineers may be temporarily employed at per diem rates to
13 perform the technical planning work of the service.

14 RIVER BASIN SURVEYS AND INVESTIGATIONS

15 For necessary expenses to conduct research, investiga-
16 tions and surveys of the watersheds of rivers and other water-
17 ways, in accordance with section 6 of the Watershed Pro-
18 tection and Flood Prevention Act, approved August 4, 1954,
19 as amended (16 U.S.C. 1006), to remain available until
20 expended; \$9,043,000, with which shall be merged the
21 unexpended balances of funds heretofore appropriated to the
22 Department for river basin survey purposes: *Provided*, That
23 this appropriation shall be available for field employment
24 pursuant to the second sentence of section 706 (a) of the
25 Organic Act of 1944 (7 U.S.C. 2225). and not to exceed

1 \$60,000 shall be available for employment under 5 U.S.C.
2 3109.

3 WATERSHED PLANNING

4 For necessary expenses for small watershed investiga-
5 tions and planning, in accordance with the Watershed Pro-
6 tection and Flood Prevention Act, as amended (16 U.S.C.
7 1001-1008), to remain available until expended, \$6,698,-
8 000, with which shall be merged the unexpended balances
9 of funds heretofore appropriated under this head: *Provided,*
10 That this appropriation shall be available for field employ-
11 ment pursuant to the second sentence of section 706 (a) of
12 the Organic Act of 1944 (7 U.S.C. 2225), and not to
13 exceed \$50,000 shall be available for employment under
14 5 U.S.C. 3109.

15 WATERSHED WORKS OF IMPROVEMENT

16 For necessary expenses to carry out preventive meas-
17 ures, including, but not limited to research, engineering
18 operations, methods of cultivation, the growing of vegeta-
19 tion, and changes in use of land, in accordance with the
20 Watershed Protection and Flood Prevention Act, approved
21 August 4, 1954, as amended (16 U.S.C. 1001-1005, 1007-
22 1008), and the provisions of the Act of April 27, 1935 (16
23 U.S.C. 590 a-f), to remain available until expended;
24 \$74,278,000, with which shall be merged the unexpended
25 balances of funds heretofore appropriated or transferred to

1 the Department for watershed protection purposes: *Provided*,
2 That this appropriation shall be available for field employ-
3 ment pursuant to the second sentence of section 706 (a)
4 of the Organic Act of 1944 (7 U.S.C. 2225), and not to
5 exceed \$100,000 shall be available for employment under
6 5 U.S.C. 3109: *Provided further*, That \$5,000,000 of the
7 funds in the direct loan account of the Farmers Home
8 Administration shall be available until expended for loans.

9 FLOOD PREVENTION

10 For necessary expenses, in accordance with the Flood
11 Control Act, approved June 22, 1936 (33 U.S.C. 701-709,
12 16 U.S.C. 1006a), as amended and supplemented, and in
13 accordance with the provisions of laws relating to the activi-
14 ties of the Department, to perform works of improvement,
15 including funds for field employment pursuant to the second
16 sentence of section 706 (a) of the Organic Act of 1944 (7
17 U.S.C. 2225), and not to exceed \$100,000 for employment
18 under 5 U.S.C. 3109, to remain available until expended;
19 \$21,037,000, with which shall be merged the unexpended
20 balances of funds heretofore appropriated or transferred to
21 the Department for flood prevention purposes: *Provided*,
22 That \$400,000 of funds in the direct loan account of the
23 Farmers Home Administration shall be available until ex-
24 pended for loans.

1 GREAT PLAINS CONSERVATION PROGRAM

2 For necessary expenses to carry into effect a program of
3 conservation in the Great Plains area, pursuant to section
4 16 (b) of the Soil Conservation and Domestic Allotment Act,
5 as added by the Act of August 7, 1956 (16 U.S.C. 590p),
6 \$15,355,000, to remain available until expended.

7 RESOURCE CONSERVATION AND DEVELOPMENT

8 For necessary expenses in planning and carrying out
9 projects for resource conservation and development, and for
10 sound land use, pursuant to the provisions of section 32 (e)
11 of title III of the Bankhead-Jones Farm Tenant Act, as
12 amended (7 U.S.C. 1011; 76 Stat. 607), and the provisions
13 of the Act of April 27, 1935 (16 U.S.C. 590a-f), \$13,876,-
14 000, to remain available until expended: *Provided*, That
15 \$3,300,000 of the funds available in the direct loan account
16 of the Farmers Home Administration shall be available for
17 loans under subtitle A of the Consolidated Farmers Home
18 Administration Act of 1961, as amended (7 U.S.C. 1922-
19 1929), and section 32 (e) of title III of the Bankhead-
20 Jones Farm Tenant Act, as amended (7 U.S.C. 1011 (e)),
21 to remain available until expended: *Provided further*, That
22 this appropriation shall be available for field employment
23 pursuant to the second sentence of section 706 (a) of the
24 Organic Act of 1944 (7 U.S.C. 2225), and not to exceed

1 \$50,000 shall be available for employment under 5 U.S.C.
2 3109.

3 ECONOMIC RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For necessary expenses of the Economic Research Serv-
6 ice in conducting economic research and service relating to
7 agricultural production, marketing, and distribution, as au-
8 thorized by the Agricultural Marketing Act of 1946 (7
9 U.S.C. 1621-1627), and other laws, including economics of
10 marketing; analyses relating to farm prices, income and popu-
11 lation, and demand for farm products, use of resources in agri-
12 culture, adjustments, costs and returns in farming, and farm
13 finance; and for analyses of supply and demand for farm
14 products in foreign countries and their effect on prospects
15 for United States exports, progress in economic development
16 and its relation to sales of farm products, assembly and analy-
17 sis of agricultural trade statistics and analysis of interna-
18 tional financial and monetary programs and policies as they
19 affect the competitive position of United States farm products;
20 \$14,592,000: *Provided*, That not less than \$350,000 of
21 the funds contained in this appropriation shall be avail-
22 able to continue to gather statistics and conduct a special
23 study on the price spread between the farmer and con-
24 sumer: *Provided further*, That this appropriation shall be

1 available for employment pursuant to the second sentence of
2 section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225) ,
3 and not to exceed \$75,000 shall be available for employment
4 under 5 U.S.C. 3109: *Provided further*, That not less than
5 \$145,000 of the funds contained in this appropriation shall be
6 available for analysis of statistics and related facts on foreign
7 production and full and complete information on methods
8 used by other countries to move farm commodities in world
9 trade on a competitive basis.

10 STATISTICAL REPORTING SERVICE

11 SALARIES AND EXPENSES

12 For necessary expenses of the Statistical Reporting Serv-
13 ice in conducting statistical reporting and service work, in-
14 cluding crop and livestock estimates, statistical coordination
15 and improvements, and marketing surveys, as authorized by
16 the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-
17 1627) and other laws, \$17,716,800: *Provided*, That no part
18 of the funds herein appropriated shall be available for any
19 expense incident to publishing estimates of apple production
20 for other than the commercial crop: *Provided further*, That
21 this appropriation shall be available for employment pursuant
22 to the second sentence of section 706 (a) of the Organic Act
23 of 1944 (7 U.S.C. 2225) , and not to exceed \$40,000 shall
24 be available for employment under 5 U.S.C. 3109.

1 CONSUMER AND MARKETING SERVICE

2 CONSUMER PROTECTIVE, MARKETING, AND REGULATORY
3 PROGRAMS

4 For expenses necessary to carry on services related to
5 consumer protection, agricultural marketing and distribution,
6 and regulatory programs, other than Packers and Stockyards
7 Act, as authorized by law, and for administration and coordi-
8 nation of payments to States; including field employment
9 pursuant to section 706 (a) of the Organic Act of 1944 (7
10 U.S.C. 2225), and not to exceed \$75,000 for employment
11 under 5 U.S.C. 3109; \$149,247,000, of which \$1,000,000
12 shall be placed in reserve to be released only when required
13 to carry out the Wholesome Meat Act: *Provided*, That
14 this appropriation shall be available pursuant to law (7
15 U.S.C. 2250) for the alteration and repair of buildings and
16 improvements, but, unless otherwise provided, the cost of
17 altering any one building during the fiscal year shall not
18 exceed \$7,500 or 7.5 per centum of the cost of the building,
19 whichever is greater.

20 PAYMENTS TO STATES AND POSSESSIONS

21 For payments to departments of agriculture, bureaus and
22 departments of markets, and similar agencies for marketing
23 activities under section 204 (b) of the Agricultural Market-
24 ing Act of 1946 (7 U.S.C. 1623 (b)), \$1,600,000.

1 REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES

2 (SECTION 32)

3 Funds available under section 32 of the Act of August
4 24, 1935 (7 U.S.C. 612c) shall be used only for commodity
5 program expenses as authorized therein, and other related
6 operating expenses, except for (1) transfers to the Depart-
7 ment of the Interior as authorized by the Fish and Wildlife
8 Act of August 8, 1956; (2) transfers otherwise provided in
9 this Act; (3) not more than \$3,084,000 for formulation and
10 administration of marketing agreements and orders pur-
11 suant to the Agricultural Marketing Agreement Act of
12 1937, as amended, and the Agricultural Act of 1961;
13 and (4) in addition to other amounts provided in this Act,
14 not more than \$186,058,000 (including not to exceed \$2,-
15 000,000 for State administrative expenses) for (a) child
16 feeding programs and nutritional programs authorized by
17 law in the School Lunch Act and the Child Nutrition Act,
18 as amended; and (b) additional direct distribution or other
19 programs, without regard to whether such area is under the
20 food stamp program or a system of direct distribution, to
21 provide, in the immediate vicinity of their place of per-
22 manent residence, either directly or through a State or
23 local welfare agency, an adequate diet to other needy chil-
24 dren and low-income persons determined by the Secretary of
25 Agriculture to be suffering, through no fault of their own.

1 from general and continued hunger resulting from insufficient
2 food.

3 FOOD AND NUTRITION SERVICE

4 SPECIAL MILK PROGRAM

5 For necessary expenses to carry out the provisions of
6 the Special Milk Program, as authorized by section 3 of
7 the Child Nutrition Act of 1966 (42 U.S.C. 1772), \$104,-
8 000,000: *Provided*, That this appropriation shall be avail-
9 able only within the limits of amounts authorized by law
10 for fiscal year 1971.

11 CHILD NUTRITION PROGRAMS

12 For necessary expenses to carry out the provisions of
13 the National School Lunch Act, as amended (42 U.S.C.
14 1751-1761) and the applicable provisions other than sec-
15 tion 3 of the Child Nutrition Act of 1966, as amended (42
16 U.S.C. 1773-1785), \$264,428,000, of which \$174,033,000
17 shall be derived by transfer from funds available under
18 section 32 of the Act of August 24, 1935 (7 U.S.C. 612c):
19 *Provided*, That of the foregoing total amount there shall be
20 available \$48,347,000 for special assistance to needy schools,
21 \$12,000,000 for the school breakfast program, \$17,500,000
22 for the nonfood assistance program, \$750,000 for State
23 administrative expenses, and \$12,000,000 for special food
24 service programs for children to remain available until
25 September 30 of the next succeeding fiscal year: *Provided*

1 *further*, That no part of this appropriation shall be used for
2 nonfood assistance under section 5 of the National School
3 Lunch Act, as amended: *Provided further*, That an addi-
4 tional \$64,325,000 shall be transferred to this appropriation
5 from funds available under section 32 of the Act of Au-
6 gust 24, 1935 (7 U.S.C. 612c), for purchase and distribu-
7 tion of agricultural commodities and other foods pursuant
8 to section 6 of the National School Lunch Act, as amended:
9 *Provided further*, That this appropriation shall be available
10 for employment pursuant to the second sentence of section
11 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and
12 not to exceed \$75,000 shall be available for employment
13 under 5 U.S.C. 3109.

14 FOOD STAMP PROGRAM

15 For necessary expenses of the food stamp program
16 pursuant to the Food Stamp Act of 1964, as amended,
17 \$1,250,000,000: *Provided*, That this appropriation shall
18 be available only within the limits of amounts authorized
19 by law for fiscal year 1971.

20 FOREIGN AGRICULTURAL SERVICE

21 SALARIES AND EXPENSES

22 For necessary expenses for the Foreign Agricultural
23 Service, including carrying out title VI of the Agricultural

1 Act of 1954 (7 U.S.C. 1761-1768), market development
2 activities abroad, and for enabling the Secretary to coordinate
3 and integrate activities of the Department in connection with
4 foreign agricultural work, including not to exceed \$35,000
5 for representation allowances and for expenses pursuant to
6 section 8 of the Act approved August 3, 1956 (7 U.S.C.
7 1766), \$24,023,000: *Provided*, That not less than
8 \$255,000 of the funds contained in this appropriation
9 shall be available to obtain statistics and related facts on
10 foreign production and full and complete information on
11 methods used by other countries to move farm commodities
12 in world trade on a competitive basis: *Provided further*,
13 That, in addition, not to exceed \$3,117,000 of the funds
14 appropriated by section 32 of the Act of August 24, 1935,
15 as amended (7 U.S.C. 612c), shall be merged with this
16 appropriation and shall be available for all expenses of the
17 Foreign Agricultural Service.

18 COMMODITY EXCHANGE AUTHORITY

19 SALARIES AND EXPENSES

20 For necessary expenses to carry into effect the provisions
21 of the Commodity Exchange Act, as amended (7 U.S.C.
22 1-17b), \$2,552,000.

1 AGRICULTURAL STABILIZATION AND CONSERVATION
2 SERVICE

3 EXPENSES, AGRICULTURAL STABILIZATION AND
4 CONSERVATION SERVICE

5 For necessary administrative expenses of the Agricultural
6 Stabilization and Conservation Service, including expenses
7 to formulate and carry out programs authorized by title III
8 of the Agricultural Adjustment Act of 1938, as amended (7
9 U.S.C. 1301-1393) ; Sugar Act of 1948, as amended (7
10 U.S.C. 1101-1161) ; sections 7 to 15, 16 (a) , 16 (d) , 16 (e) ,
11 16 (f) , 16 (i) , and 17 of the Soil Conservation and Domestic
12 Allotment Act, as amended (16 U.S.C. 590g-590q) ; sub-
13 titles B and C of the Soil Bank Act (7 U.S.C. 1831-1837,
14 1802-1814, and 1816) ; and laws pertaining to the Com-
15 modity Credit Corporation, \$152,690,000: *Provided*, That,
16 in addition, not to exceed \$68,779,000 may be transferred
17 to and merged with this appropriation from the Commodity
18 Credit Corporation fund (including not to exceed \$30,228,-
19 000 under the limitation on Commodity Credit Corporation
20 administrative expenses) : *Provided further*, That other
21 funds made available to the Agricultural Stabilization and
22 Conservation Service for authorized activities may be ad-
23 vanced to and merged with this appropriation: *Provided*
24 *further*, That no part of the funds appropriated or made avail-
25 able under this Act shall be used (1) to influence the vote in

1 any referendum; (2) to influence agricultural legislation,
2 except as permitted in 18 U.S.C. 1913; or (3) for salaries
3 or other expenses of members of county and community
4 committees established pursuant to section 8 (b) of the Soil
5 Conservation and Domestic Allotment Act, as amended, for
6 engaging in any activities other than advisory and super-
7 visory duties and delegated program functions prescribed in
8 administrative regulations.

9 SUGAR ACT PROGRAM

10 For necessary expenses to carry into effect the pro-
11 visions of the Sugar Act of 1948 (7 U.S.C. 1011-1161),
12 \$83,600,000, to remain available until June 30 of the next
13 succeeding fiscal year.

14 AGRICULTURAL CONSERVATION PROGRAM

15 For necessary expenses to carry into effect the program
16 authorized in section 7 to 15, 16 (a) and 17 of the Soil Con-
17 servation and Domestic Allotment Act, approved February
18 29, 1936, as amended (16 U.S.C. 590g-590o, 590p (a),
19 and 590q), including not to exceed \$15,000 for the prepa-
20 ration and display of exhibits, including such displays at
21 State, interstate, and international fairs within the United
22 States, \$185,000,000, to remain available until December
23 31 of the next succeeding fiscal year for compliance with
24 the programs of soil-building and soil- and water-conserving
25 practices authorized under this head in the Department of

1 Agriculture and Related Agencies Appropriation Acts, 1969
2 and 1970, carried out during the period July 1, 1968, to
3 December 31, 1970, inclusive: *Provided*, That none of the
4 funds herein appropriated shall be used to pay the salaries
5 or expenses of any regional information employees or any
6 State information employees, but this shall not preclude the
7 answering of inquiries or supplying of information at the
8 county level to individual farmers: *Provided further*, That
9 no portion of the funds for the current year's program may be
10 utilized to provide financial or technical assistance for drain-
11 age on wetlands now designated as Wetland Types 3 (III),
12 4 (IV), and 5 (V) in United States Department of the In-
13 terior, Fish and Wildlife Circular 39, Wetlands of the United
14 States, 1956: *Provided further*, That necessary amounts
15 shall be available for administrative expenses in connection
16 with the formulation and administration of the 1971 pro-
17 gram of soil-building and soil- and water-conserving practices,
18 including related wildlife conserving practices and pollution
19 abatement practices, under the Act of February 29, 1936, as
20 amended (amounting to \$195,500,000, excluding adminis-
21 tration, except that no participant shall receive more than
22 \$2,500, except where the participants from two or more
23 farms or ranches join to carry out approved practices de-
24 signed to conserve or improve the agricultural resources of
25 the community): *Provided further*, That not to exceed 5

1 per centum of the allocation for the current year's agricultural
2 conservation program for any county may, on the recommen-
3 dation of such county committee and approval of the State
4 committee, be withheld and allotted to the Soil Conservation
5 Service for services of its technicians in formulating and
6 carrying out the agricultural conservation program in the par-
7 ticipating counties, and shall not be utilized by the Soil Con-
8 servation Service for any purpose other than technical and
9 other assistance in such counties, and in addition, on the rec-
10 ommendation of such county committee and approval of the
11 State committee, not to exceed 1 per centum may be made
12 available to any other Federal, State, or local public agency
13 for the same purpose and under the same conditions: *Pro-*
14 *vided further*, That for the current year's program, \$2,500,-
15 000 shall be available for technical assistance in formulating
16 and carrying out agricultural conservation practices: *Pro-*
17 *vided further*, That such amounts shall be available for the
18 purchase of seeds, fertilizers, lime, trees, or any other farming
19 material, or any soil-terracing services, and making grants
20 thereof to agricultural producers to aid them in carrying out
21 farming practices approved by the Secretary under programs
22 provided for herein: *Provided further*, That no part of any
23 funds available to the Department, or any bureau, office, cor-
24 poration, or other agency constituting a part of such Depart-

1 ment, shall be used in the current fiscal year for the payment
2 of salary or travel expenses of any person who has been con-
3 victed of violating the Act entitled "An Act to prevent
4 pernicious political activities", approved August 2, 1939, as
5 amended, or who has been found in accordance with the pro-
6 visions of title 18, United States Code, section 1913, to have
7 violated or attempted to violate such section which prohibits
8 the use of Federal appropriations for the payment of personal
9 services or other expenses designed to influence in any man-
10 ner a Member of Congress to favor or oppose any legislation
11 or appropriation by Congress except upon request of any
12 Member or through the proper official channels.

13 CROPLAND ADJUSTMENT PROGRAM

14 For necessary expenses to carry into effect a cropland
15 adjustment program as authorized by the Food and Agri-
16 culture Act of 1965 (7 U.S.C. 1838), \$77,800,000.

17 EMERGENCY CONSERVATION MEASURES

18 For emergency conservation measures, to be used for
19 the same purposes and subject to the same conditions as
20 funds appropriated under this head in the Third Supple-
21 mental Appropriation Act, 1957, to remain available until
22 expended, \$5,000,000, with which shall be merged the

1 unexpended balances of funds heretofore appropriated for
2 emergency conservation measures.

3 RURAL COMMUNITY DEVELOPMENT SERVICE

4 SALARIES AND EXPENSES

5 For necessary expenses, not otherwise provided for, of
6 the Rural Community Development Service in providing
7 leadership and related services in carrying out the rural areas
8 development activities of the Department, \$230,000: *Pro-*
9 *vided*, That not to exceed \$3,000 shall be available for em-
10 ployment under 5 U.S.C. 3109.

11 OFFICE OF THE INSPECTOR GENERAL

12 SALARIES AND EXPENSES

13 For necessary expenses of the Office of the Inspector
14 General, including employment pursuant to the second sen-
15 tence of section 706 (a) of the Organic Act of 1944 (7
16 U.S.C. 2225), and not to exceed \$10,000 for employment
17 under 5 U.S.C. 3109, \$15,378,000.

18 PACKERS AND STOCKYARDS ADMINISTRATION

19 SALARIES AND EXPENSES

20 For expenses necessary for administration of the Pack-
21 ers and Stockyards Act, as authorized by law, including field
22 employment pursuant to section 706 (a) of the Organic Act

1 of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 for
2 employment under 5 U.S.C. 3109, \$3,508,650.

3 OFFICE OF THE GENERAL COUNSEL

4 SALARIES AND EXPENSES

5 For necessary expenses, including payment of fees or
6 dues for the use of law libraries by attorneys in the field
7 service, \$5,657,000.

8 OFFICE OF INFORMATION

9 SALARIES AND EXPENSES

10 For necessary expenses of the Office of Information for
11 the dissemination of agricultural information and the co-
12 ordination of informational work and programs authorized
13 by Congress in the Department, \$2,256,000, of which
14 total appropriation not to exceed \$612,000 may be used
15 for farmers' bulletins, which shall be adapted to the in-
16 terests of the people of the different sections of the country,
17 an equal proportion of four-fifths of which shall be available
18 to be delivered to or sent out under the addressed franks
19 furnished by the Senators, Representatives, and Delegates
20 in Congress, as they shall direct (7 U.S.C. 417), and
21 not less than two hundred and thirty-two thousand two
22 hundred and fifty copies for the use of the Senate and House
23 of Representatives of part 2 of the annual report of the
24 Secretary (known as the Yearbook of Agriculture) as au-

1 thorized by section 73 of the Act of January 12, 1895 (44
2 U.S.C. 241) : *Provided*, That in the preparation of motion
3 pictures or exhibits by the Department, this appropriation
4 shall be available for employment pursuant to the second
5 sentence of section 706 (a) of the Organic Act of 1944 (7
6 U.S.C. 2225) , and not to exceed \$10,000 shall be available
7 for employment under 5 U.S.C. 3109.

8 NATIONAL AGRICULTURAL LIBRARY

9 SALARIES AND EXPENSES

10 For necessary expenses of the National Agricultural
11 Library, \$3,614,750: *Provided*, That this appropriation shall
12 be available for employment pursuant to the second sentence
13 of section 706 (a) of the Organic Act of 1944 (7 U.S.C.
14 2225) , and not to exceed \$35,000 shall be available for
15 employment under 5 U.S.C. 3109: *Provided further*, That
16 not to exceed \$100,000 shall be available pursuant to 7
17 U.S.C. 2250 for the alteration and repair of buildings and
18 improvements.

19 OFFICE OF MANAGEMENT SERVICES

20 SALARIES AND EXPENSES

21 For necessary expenses to enable the Office of Man-
22 agement Services to provide management support services
23 to selected agencies and offices of the Department of Agri-
24 culture, \$3,384,000.

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of Agriculture and for general administration of the Department of Agriculture, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, and not to exceed \$5,000 for employment under 5 U.S.C. 3109, \$5,559,000: *Provided*, That this appropriation shall be reimbursed from applicable appropriations for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558: *Provided further*, That not to exceed \$2,500 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: *Provided further*, That not to exceed \$269,000 of funds contained in the Working Capital Fund established under authority of Public Law 78-129 may be used to carry out responsibilities under the Civil Rights Act of 1964.

TITLE II—CREDIT AGENCIES

RURAL ELECTRIFICATION ADMINISTRATION

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-924), as follows:

LOAN AUTHORIZATION

For loans in accordance with said Act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said Act, and to remain available without fiscal year limitation in accordance with section 3 (e) of said Act, as follows: rural electrification program, \$322,000,000, and rural telephone program, \$123,800,000: *Provided*, That an additional \$20,000,000 is placed in contingency reserve to be made available by the Bureau of the Budget on the same terms and conditions to the extent that such amount is required during the current fiscal year under the then-existing conditions for expeditious and orderly development of the rural electrification and rural telephone programs.

SALARIES AND EXPENSES

For administrative expenses, including not to exceed \$500 for financial and credit reports, funds for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$150,000 for employment under 5 U.S.C. 3109, \$14,613,000.

FARMERS HOME ADMINISTRATION

DIRECT LOAN ACCOUNT

Direct loans and advances under subtitles A and B, and advances under section 335 (a) for which funds are not otherwise available, of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1921), as amended, may be made from funds available in the Farmers Home Administration direct loan account as follows: real estate loans, \$83,000,000, and operating loans, \$275,000,000.

RURAL HOUSING INSURANCE FUND

For direct loans and related advances pursuant to section 517 (m) of the Housing Act of 1949, as amended, \$30,000,000 shall be available from funds in the rural housing insurance fund. Hereafter, farmer applicants for direct or insured rural housing loans shall be required to provide only such collateral security as is required of owners of nonfarm tracts.

For an additional amount for the rural housing insurance fund, as authorized by section 521 (c) of the Housing Act of 1949 (42 U.S.C. 1490a (c)), \$334,000.

RURAL WATER AND WASTE DISPOSAL GRANTS

For grants pursuant to sections 306 (a) (2) and 306 (a) (6) of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1926), \$100,000,000.

RURAL HOUSING FOR DOMESTIC FARM LABOR

For financial assistance to public nonprofit organizations for housing for domestic farm labor, pursuant to section 516 of the Housing Act of 1949, as amended (42 U.S.C. 1486), \$2,500,000, to remain available until expended.

MUTUAL AND SELF-HELP HOUSING

For grants pursuant to section 523 (b) (1) (A) of the Housing Act of 1949 (42 U.S.C. 1490c), \$2,125,000, to remain available until expended.

SELF-HELP HOUSING LAND DEVELOPMENT FUND

For direct loans pursuant to section 523 (b) (1) (B) of the Housing Act of 1949 (42 U.S.C. 1490c) and related advances, \$1,000,000, to remain available until expended.

SALARIES AND EXPENSES

For necessary expenses of the Farmers Home Administration, not otherwise provided for, in administering the programs authorized by the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1921–1991), as amended, title V of the Housing Act of 1949, as amended (42 U.S.C. 1471–1490c, 83 Stat. 399), the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440–444), and for carrying out the responsibilities of the Secretary of Agriculture under sections 235 and 236 of the National Housing Act, as amended (12 U.S.C. 1715z–1715z–1), and section 701 of the Housing

1 Act of 1954, as amended (40 U.S.C. 461), \$81,150,000,
2 together with not more than \$3,250,000 of the charges col-
3 lected in connection with the insurance of loans as au-
4 thorized by section 309 (e) of the Consolidated Farmers
5 Home Administration Act of 1961, as amended, and
6 sections 514 (b) (3) and 517 (i) of the Housing Act
7 of 1949, as amended, of which not more than \$250,000
8 shall be available for the administration of Public Law
9 91-229: *Provided*, That, in addition, not to exceed \$500,000
10 of the funds available for the various programs administered
11 by this agency may be transferred to this appropriation for
12 temporary field employment pursuant to the second sen-
13 tence of section 706 (a) of the Organic Act of 1944 (7
14 U.S.C. 2225) to meet unusual or heavy workload increases:
15 *Provided further*, That no part of any funds in this para-
16 graph may be used to administer a program which makes
17 rural housing grants pursuant to section 504 of the Housing
18 Act of 1949, as amended.

19 TITLE III—CORPORATIONS

20 The following corporations and agencies are hereby
21 authorized to make such expenditures, within the limits of
22 funds and borrowing authority available to each such corpora-
23 tion or agency and in accord with law, and to make such
24 contracts and commitments without regard to fiscal year
25 limitations as provided by section 104 of the Government

1 Corporation Control Act, as amended, as may be necessary
2 in carrying out the programs set forth in the budget for the
3 current fiscal year for such corporation or agency, except
4 as hereinafter provided:

5 FEDERAL CROP INSURANCE CORPORATION

6 ADMINISTRATIVE AND OPERATING EXPENSES

7 For administrative and operating expenses, \$12,000,000.

8 FEDERAL CROP INSURANCE CORPORATION FUND

9 Not to exceed \$2,335,000 of administrative and operat-
10 ing expenses may be paid from premium income.

11 COMMODITY CREDIT CORPORATION

12 REIMBURSEMENT FOR NET REALIZED LOSSES

13 To reimburse the Commodity Credit Corporation for net
14 realized losses sustained in prior years but not previously
15 reimbursed, pursuant to the Act of August 17, 1961 (15
16 U.S.C. 713a-11, 713a-12), in the following amounts:
17 fiscal year 1968, \$249,998,669; fiscal year 1969, \$2,863,-
18 156,331; in total, \$3,113,155,000: *Provided*, That no funds
19 appropriated by this Act shall be used to formulate or ad-
20 minister programs for the sale of agricultural commodities
21 pursuant to title I of Public Law 480, 83d Congress, as
22 amended to any nation which sells or furnishes or which per-
23 mits ships or aircraft under its registry to transport to North
24 Vietnam any equipment, materials or commodities, so long
25 as North Vietnam is governed by a Communist regime.

1 LIMITATION ON ADMINISTRATIVE EXPENSES

2 Not to exceed \$36,500,000 shall be available for admin-
3 istrative expenses of the Commodity Credit Corporation:
4 *Provided*, That \$945,000 of this authorization shall be avail-
5 able only to expand and strengthen the sales program
6 of the Corporation pursuant to authority contained in the
7 Corporation's charter: *Provided further*, That not less than
8 7 per centum of this authorization shall be placed in reserve
9 to be apportioned pursuant to section 3679 of the Revised
10 Statutes, as amended, for use only in such amounts and at
11 such times as may become necessary to carry out program
12 operations: *Provided further*, That all necessary expenses
13 (including legal and special services performed on a con-
14 tract or fee basis, but not including other personal services)
15 in connection with the acquisition, operation, maintenance,
16 improvement, or disposition of any real or personal property
17 belonging to the Corporation or in which it has an interest,
18 including expenses of collections of pledged collateral, shall
19 be considered as nonadministrative expenses for the purposes
20 hereof.

21 PUBLIC LAW 480

22 For expenses during the current fiscal year, not other-
23 wise recoverable, and unrecovered prior years' costs,
24 including interest thereon, under the Agricultural Trade
25 Development and Assistance Act of 1954, as amended (7

U.S.C. 1701-1710, 1721-1725, 1731-1736d), to remain available until expended, as follows: (1) sale of agricultural commodities for foreign currencies and for dollars on credit terms pursuant to title I of said Act, \$411,100,000; and (2) commodities supplied in connection with dispositions abroad, pursuant to title II of said Act, \$291,400,000.

BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

For unrecovered prior years' costs related to strategic and other materials acquired as a result of barter or exchange of agricultural commodities or products and transferred to the supplemental stockpile pursuant to the Act of May 28, 1956, as amended (7 U.S.C. 1856), \$25,000, to remain available until expended.

TITLE IV—RELATED AGENCIES

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed \$4,054,000 (from assessments collected from farm credit agencies) shall be obligated during the current fiscal year for administrative expenses, including the hire of one passenger motor vehicle.

TITLE V—GENERAL PROVISIONS

SEC. 501. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed six hun-

1 dred and sixty-two (662) passenger motor vehicles, of
2 which four hundred and fifty-six (456) shall be for replace-
3 ment only, and for the hire of such vehicles.

4 SEC. 502. Provisions of law prohibiting or restricting
5 the employment of aliens shall not apply to employment
6 under the appropriation for the Foreign Agricultural Service.

7 SEC. 503. Funds available to the Department of Agricul-
8 ture shall be available for uniforms or allowances therefor
9 as authorized by law (5 U.S.C. 5901-5902).

10 SEC. 504. No part of the funds appropriated by this Act
11 shall be used for the payment of any officer or employee of
12 the Department who, as such officer or employee, or on
13 behalf of the Department or any division, commission, or
14 bureau thereof, issues, or causes to be issued, any prediction,
15 oral or written, or forecast, except as to damage threatened
16 or caused by insects and pests, with respect to future prices
17 of cotton or the trend of same.

18 SEC. 505. Except to provide materials required in or
19 incident to research or experimental work where no suitable
20 domestic product is available, no part of the funds appro-
21 priated by this Act shall be expended in the purchase of
22 twine manufactured from commodities or materials produced
23 outside of the United States.

24 SEC. 506. Not less than \$1,500,000 of the appropriations
25 of the Department for research and service work authorized

1 by the Acts of August 14, 1946, July 28, 1954, and Sep-
2 tember 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C.
3 1891-1893), shall be available for contracting in accordance
4 with said Acts.

5 SEC. 507. No part of any appropriation contained in this
6 Act shall remain available for obligation beyond the current
7 fiscal year unless expressly so provided herein.

8 This Act may be cited as the "Department of Agricul-
9 ture and Related Agencies Appropriation Act, 1971".

Passed the House of Representatives June 9, 1970.

Attest:

W. PAT JENNINGS,

Clerk.

AN ACT

Making appropriations for the Department of
Agriculture and related agencies for the fis-
cal year ending June 30, 1971, and for other
purposes.

JUNE 10, 1970

Read twice and referred to the Committee on
Appropriations

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of June 25, 1970
91st-2nd; No. 106

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HIGHLIGHTS: House agreed to conference report on second supplemental appropriations bill. Senate Appropriations subcommittee approved agricultural appropriations bill. Both Houses received GAO report on meat inspection. Rep. Melcher discussed report and Sen. Bellmon submitted resolution to study meat inspection. Sen. Harris urged action on the coalition farm bill.

HOUSE

1. APPROPRIATIONS. Agreed to the conference report on HR 17399, the second supplemental appropriations bill, FY 70. pp. H6040-6050

2. MEAT INSPECTION. Both Houses received a GAO report on meat inspection; to the Government Operations Committees. pp. H6117, S9799

Rep. Melcher stated we are not going to compromise our inspection standards of imported meats and inserted an article noting American investors are trying to "gobble up" pasturage lands in Australia. pp. H6095-6

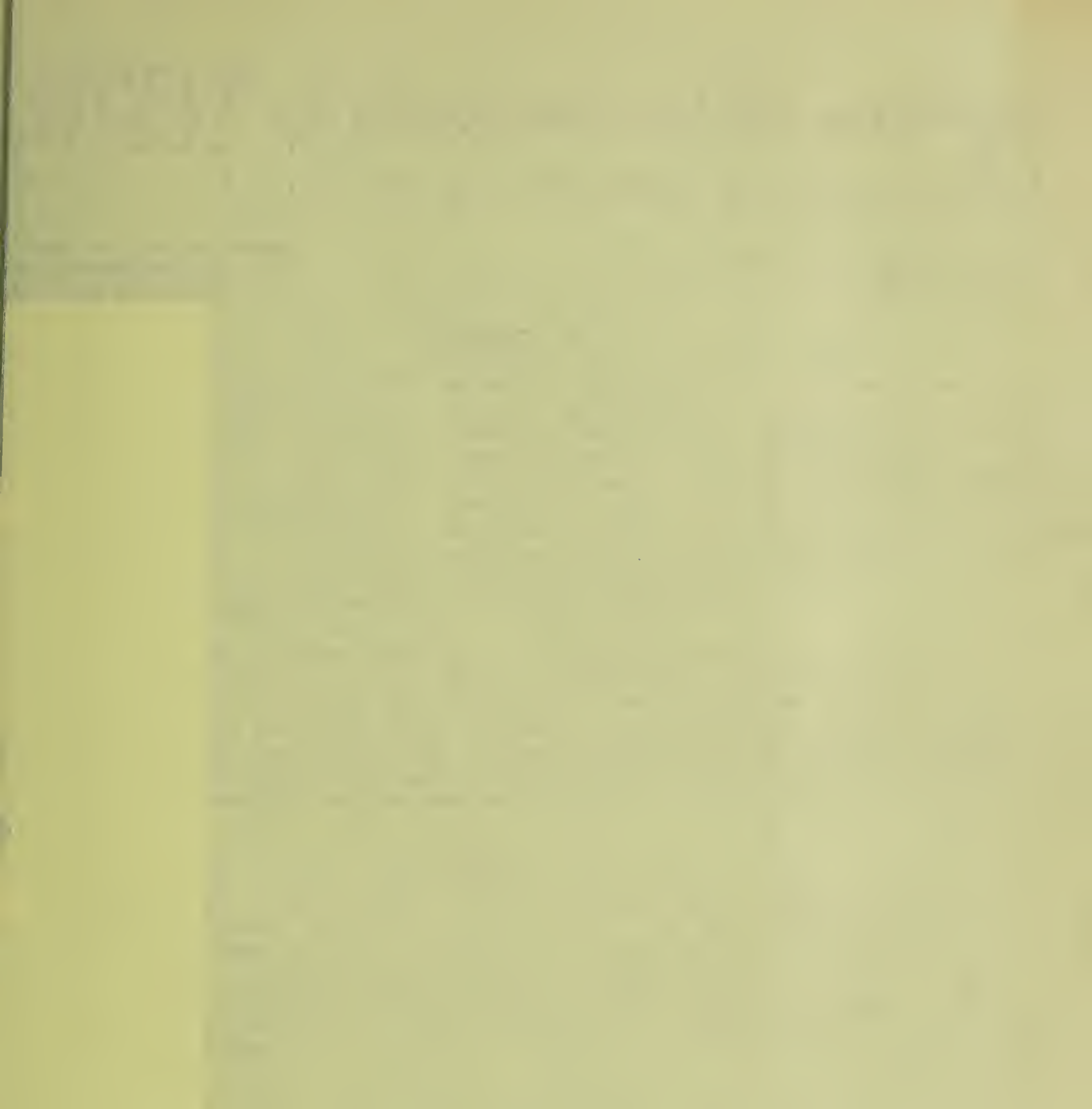
3. HOUSING. Passed with amendments HR 17495, the proposed Emergency Home Finance Act of 1970. pp. H6050-6092
4. CONSERVATION. An Interior and Insular Affairs Committee subcommittee approved for full committee consideration HR 12870 amended, providing for the establishment of the King Range National Conservation Area, California. p. D689
5. ADJOURNED until Monday, June 29.

SENATE

6. APPROPRIATIONS. An Appropriations Committee subcommittee approved for full committee consideration with amendments HR 17923, the FY 71 agricultural appropriations bill. p. D686
Passed with amendments HR 16916, the FY 71 appropriations bill for the Office of Education. pp. S9891-929
7. FARM PROGRAM. Sen. Harris discussed the need for new farm legislation, urged enactment of the coalition farm bill, and inserted statements from Oklahoma wheat farmers in support of that bill. pp. S9827-33
8. MEAT INSPECTION. Sen. Bellmon discussed the GAO report on meat inspection and introduced S. Con. Res. 73, to establish a joint Congressional committee to carry out a study and investigation of the Federal Meat Inspection Act. pp. S9802-3
9. TARIFFS. Passed HR 8512, providing for the suspension for a temporary period of the import duty on L-Dopa. This bill now goes to the President. pp. S9793-4
10. ENVIRONMENT. Passed without amendment S. 4012, extending the Clean Air Act and the Solid Waste Disposal Act for 60 days. p. S9794

BILLS INTRODUCED

11. CONSUMERS. H. R. 18214, by Rep. Rosenthal; to establish an Office of Consumer Affairs in the Executive Office of the President and a Consumer Protection Agency in order to secure within the Federal Government effective protection and representation of the interests of consumers, and for other purposes; to the Committee on Government Operations.
12. TOBACCO. H. R. 18232, by Rep. Broyhill (N. C.); to authorize the lease and transfer of Burley acreage allotments; to the Committee on Agriculture.
13. ENVIRONMENT. H. R. 18242, by Rep. Tunney; to amend the National Environmental Policy Act of 1969 to establish an Environmental Action Corps and an Environmental Legal Services Office under the direction of the Council on Environmental Quality, and to create the Office of Environmental Ombudsman; to the Committee on Merchant Marine and Fisheries.
14. NATIONAL FOREST. S. 4028, by Sen. Moss; to authorize and direct the acquisition of certain lands within the boundaries of the Wasatch National Forest in the State of Utah by the Secretary of Agriculture; to the Committee on Interior and Insular Affairs. Remarks of author p. S9949



DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of June 29, 1970
91st-2nd; No. 108

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HIGHLIGHTS. Senate Committee reported FY 71 agricultural appropriations bill. Senate agreed to conference report on second supplemental appropriations bill. Senate passed bill increasing public debt limit. House Committee reported bills regarding marketing orders for apples, loans for land conservation and utilization, increasing certain loan limitations, and marketing research for almonds. House subcommittees approved bills allowing FS to contract for aerial facilities and permitting marketing agreements for Hawaiian papayas.

SENATE

APPROPRIATIONS. Committee on Appropriations reported with amendments H. R. 17923, agricultural appropriations bill FY 71 (S. Rept. No. 91-987). A copy of the report will be attached to the Digest as soon as available.
p. S10055

Agreed to conference report on H. R. 17399, second supplemental appropriations for FY 1970. This bill now goes to the President.
pp. S10090-10100

2. DEBT LIMIT. Passed without amendment H. R. 17802 increasing the public debt limit. This bill now goes to the President. pp. S10181-82, S10194-209
3. NATIONAL PARKS; RECREATION; RIVERS AND HARBORS. Committee on Interior and Insular Affairs reported with an amendment S. 532 to establish the Arches National Park in the State of Utah (S. Rept. No. 91-990); and with amendments S. 3547 to authorize the Secretary of the Interior to construct the Narrows Unit, Missouri River Basin Project, Colorado, (S. Rept. No. 91-991). p. S10055
4. JOINT COMMITTEE ON ENVIRONMENT. Special Senate Joint Subcommittee in executive session agreed to recommend to their respective full committees the favorable reporting of S.J. Res. 207 to establish a nonlegislative Joint Committee on the Environment (but no report was actually submitted). p. D699
5. ELECTRIFICATION. Received report from Administrator, REA, reporting approval of a loan to East Kentucky REA Corp. of Winchester, Ky.; to Committee on Appropriations. p. S10054
6. WILD RIVERS; ENVIRONMENT. Sen. McIntyre reported on the saving of a N. H. wild river from urban encroachment and inserted newspaper article detailing community action which prevailed in preserving the natural stream. pp. S10069-70

HOUSE

7. COMMITTEE ACTION. The Agriculture Committee reported the following bills: S. 1455, providing for marketing orders for apples produced in Colorado, Utah, New Mexico, Illinois, and Ohio (H. Rept. No. 91-1246); S. 3598, loans for land conservation and utilization (H. Rept. No. 91-1247); S. 1456 amended, marketing orders applicable to apples for paid advertising (H. Rept. No. 91-1248); H. R. 11547 amended, increasing limitations on certain farm loans (H. Rept. No. 91-1249); H. R. 13978 amended, marketing research and promotion projects for almonds (H. Rept. No. 91-1250). p. H6194
8. SUBCOMMITTEES ACTIONS. Subcommittees of the Agriculture Committee approved for full committee consideration H. R. 11953, allowing FS to contract for aerial facilities for land protection and management, and S. 2484 amended, authorizing marketing agreements for the advertising of Hawaiian papayas. p. D700
9. TARIFFS. Agreed to the Senate amendments to H. R. 14720, continuing the suspension of duties on manganese ore. This bill now goes to the President. pp. H6123-4
10. MINERALS. Agreed to the conference report on H. R. 15833, disposal of acid grade fluorspar from the national stockpile. This bill now goes to the President. p. H6126
11. RIVER BASIN. An Interior and Insular Affairs Committee subcommittee approved for full committee action H. R. 16987 amended, authorizing the construction operation, and maintenance of the Minot extension, Garrison diversion unit, Missouri River Basin project. p. D701

DEPARTMENT OF AGRICULTURE AND RELATED
AGENCIES APPROPRIATION BILL, 1971

JUNE 29, 1970.—Ordered to be printed

Mr. HOLLAND, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany H.R. 17923]

The Committee on Appropriations, to which was referred the bill (H.R. 17923) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made:

Amount of bill as passed by House—Total new (obligational) authority-----	\$7, 450, 188, 150
Amount of increase by Senate committee—New (obligational) authority-----	253, 067, 950
Amount of bill as reported to Senate—New (obli- gational) authority-----	7, 703, 256, 100
Amount of 1970 Appropriation Act—Budget (obli- gational) authority to date-----	8, 037, 098, 150
Amount of estimates, 1971—New (obligational) authority-----	7, 531, 775, 500
The bill as reported to the Senate:	
Under the Appropriation Act for 1970-----	333, 842, 050
Over the estimates for 1971—New (obliga- tional) authority-----	171, 480, 600

GENERAL SUMMARY STATEMENT

The Senate bill, as reported by the Committee, recommends \$7,698,-006,100 of new obligational authority, representing a net increase by the Committee over the House bill of \$253,069,950, and an increase over the budget estimates of \$171,480,600. The amounts of new budget obligational authority for the 1970 Appropriation Act, the estimates for 1971, and the House bill for 1971, compared with the Committee recommendations are shown in the following table by titles of the bill. A detailed tabulation showing comparisons appears at the end of the report. Recommendations for individual appropriation items, projects, and activities are carried in the report under the appropriate item headings.

Item	1970 Appropriation Act	1971 budget estimates	1971 House bill	1971 Senate Committee
Title I, general activities.....	\$2, 269, 089, 150	\$2, 649, 897, 500	\$2, 954, 986, 150	\$2, 971, 621, 100
Title II, credit agencies.....	626, 522, 000	574, 198, 000	667, 522, 000	653, 955, 000
Title III, corporations.....	5, 141, 487, 000	4, 307, 680, 000	3, 827, 680, 000	4, 077, 680, 000
Title IV, related agencies ¹	(3, 839, 000)	(4, 226, 000)	(4, 054, 000)	(4, 226, 000)
Total.....	8, 037, 098, 150	7, 531, 775, 500	7, 450, 188, 150	7, 703, 256, 100

¹ Farm Credit Administration (Limitation on Expenses).

TITLE I—GENERAL ACTIVITIES

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

The Agricultural Research Service is the principal research agency within the Department of Agriculture and is responsible within the Department for the conduct of a number of research programs which include (a) farm research, (b) utilization research and development, (c) marketing research, (d) nutrition and consumer use research, and (e) overseas research conducted under the special foreign currency program, which is financed under a separate appropriation item.

RESEARCH

1970 new budget (obligational) authority.....	(\$146, 802, 200)
1971 budget estimate—New (obligational) authority.....	(156, 437, 200)
House bill—New (obligational) authority.....	(161, 143, 200)
Committee recommendation—New (obligational) authority....	(172, 346, 200)

The committee recommends an appropriation of \$172,346,200 including the transfer of \$15,000,000 from section 32 for the conduct of the research program financed under this appropriation for fiscal 1971. The appropriation recommended is \$25,544,000 over the 1970 Appropriation Act, \$11,203,000 over the House bill, and is \$15,909,000 over the budget estimate. The following table summarizes the projects and activities dealt with in the budget estimate, the recommendations in the House-passed bill and/or recommendations made by this committee.

SUMMARY OF RESEARCH CHANGES FOR 1971

Item	1971			
	1970	Budget	House	Senate
	appropriation	estimates	bill	Committee
	(1)	(2)	(3)	recom- mendation (4)
Appropriation.....	\$131,802,200	\$141,437,200	\$146,143,200	157,296,200
Transfer from section 32.....	15,000,000	15,000,000	15,000,000	15,000,000
Total, research.....	146,802,200	156,437,200	161,143,200	172,296,200
Changes from 1970 appropriation.....		+9,635,000	+14,341,000	+25,494,000
(1)				
Improve quality, reproductive and feeding efficiency of beef.....	988,500	1,328,800	1,328,800	1,328,800
(2)				
Improve methods for the control of mastitis in dairy cattle.....	569,100	893,300	593,300	893,300
(3)				
Improve methods for diagnosis of bluetongue in sheep and cattle.....	372,400	468,100	393,100	393,100
(4)				
Improve potato production practices to control the golden nematode.....	3,200	240,500	3,500	76,500
(5)				
Expand remote sensing research ¹	271,300	782,800	287,800	537,800
(6)				
Pollution research concerned with animal and poultry waste management.....	738,700	1,452,200	884,200	1,452,200
(7)				
Staffing and equipping newly completed research labora- tories.....	6,830,900	7,123,400	11,165,400	17,591,400
(8)				
Cooperative research program on cotton ³			1,000,000	(565,000)
(9)				
Increased pay and wage board costs.....			-161,000	
(10)				
Additional research projects added by the Senate.....	5,904,200	5,844,200	² 5,844,200	² 8,009,200
(11)				
Facilities:				
Eliminate 1970 nonrecurring items provided for plans, construction and improvements.....	935,000			
Construction of Grassland Research Center, Temple, Tex.....			1,500,000	
Planning, construction, and improvements funds added by the Senate.....				3,760,000
Subtotal, facilities.....	935,000		1,500,000	3,760,000
(12)				
Other items.....	130,188,900	138,303,900	138,303,900	138,303,900

¹ Of which not less than \$50,000 is to be conducted at South Dakota State University.² Excludes \$100,000 to be derived from the research contingency fund for wholesale and retail research.³ Refer to staffing of laboratories.

The budget estimate for 1971, transmitted to the Congress, proposed a net program increase for research of \$1,150,000. Such a small increase on a base of \$146,802,200 is unrealistic in view of present and future needs for agricultural research.

In the Committee hearings, the Secretary of Agriculture and other Officials were unable to provide any convincing reasons as to why the research program should be put on a "standby" basis as proposed in the budget instead of moving ahead, particularly in the area of staffing of facilities which have been approved and constructed during the past several years. All of these facilities are urgently needed to meet the specialized research program needs of the Department and to maintain agricultural production, utilization, and nutrition research programs.

Elsewhere in the budget for the Department there are large increases for program activities, which are currently popular, but which in the

long run depend upon the continued efficiency of agricultural production. Agricultural efficiency, in turn, must be supported by Federal research programs.

The Committee hearings revealed that due to budget stringencies imposed upon the Department of Agriculture, its officials, including the Secretary, were placed in the position of advocating that the use of some of the new laboratory capacities be directed toward different objectives. The Committee does not concur in such proposals. During the hearings, the following analysis of the 1971 budget dealing with the conduct of research by major agencies and Departments of Government, and taken from pages 256-258 of "Special Analysis of the 1971 Budget" was entered into the record. This tabulation shows that in spite of the importance of agriculture to every American, present and future—because food and fiber are the most basic ingredients to human life—the total estimate of expenditures for 1971 is \$5.8 billion and agriculture's share in that estimate only \$286,000,000. The tabulation referred to is printed below.

CONDUCT OF RESEARCH

[In millions of dollars]

Department or agency	Obligations		
	1969 actual	1970 estimate	1971 estimate
Defense, military functions.....	1,401	1,425	1,493
National Aeronautics and Space Administration.....	1,308	1,530	1,461
Health, Education, and Welfare.....	1,174	1,139	1,259
Atomic Energy Commission.....	417	424	418
National Science Foundation.....	256	277	344
Agriculture.....	253	272	286
Interior.....	155	176	190
Commerce.....	54	65	76
Transportation.....	50	62	71
Veterans Administration.....	48	55	56
Office of Economic Opportunity.....	11	22	31
Housing and Urban Development.....	6	12	21
Smithsonian Institution.....	16	18	20
Justice.....	3	6	10
All other.....	46	58	64
Total.....	5,198	5,540	5,800

The Committee believes that it is quite obvious from the foregoing table that there is a need on the part of the Executive Department including the Bureau of the Budget, to review its system of priorities for agricultural research and for other agricultural programs. The Committee does not subscribe to the diminution of the research programs or other activities of the Department as proposed in the budget and it has made several recommendations dealing with acceleration of research activities in addition to those proposed in the budget. It has provided for the staffing of laboratories, and the inclusion of funds for planning and construction of new laboratories—all of which the Committee believes are urgently needed. The items and amounts referred to follow:

ACCELERATION OF RESEARCH ACTIVITIES

Item	1970 available and 1971 estimate (2)	1971		
		Estimate (3)	House bill (4)	Senate committee recom- mendation (5)
(1)				
Intensify research on aphid borne diseases of potatoes in Northwest—cooperatively financed with Potato Commission.....	\$20, 000	\$20, 000	\$20, 000	\$120, 000
(2)				
Soil and Water air-plant—cooperatively financed project with University of Florida.....	100, 000	100, 000	100, 000	300, 000
(3)				
Continuation of cooperative research on tobacco in North Carolina.....	(³ 35, 000)	-----	-----	35, 000
(4)				
Research on overseas transportation and fieldhandling of fruits and vegetables.....	160, 000	160, 000	160, 000	235, 000
(5)				
Wholesale and retail research.....	¹ 200, 000	100, 000	¹ 200, 000	¹ 300, 000
(6)				
Research on dairy cattle:				
(a) Reproductive and food efficiency.....	1, 033, 000	1, 033, 000	1, 033, 000	1, 133, 000
(b) Dairy herd improvement.....	464, 900	464, 900	464, 900	564, 900
(7)				
Research on flowers and related ornamentals.....	2, 386, 600	2, 386, 600	2, 386, 600	2, 586, 600
(8)				
Research on horticultural specialty crops at University of West Virginia.....	-----	-----	-----	80, 000
(9)				
Acceleration of most essential research on sheep production research by contract or grant.....	1, 130, 700	1, 130, 700	1, 130, 700	1, 380, 700
(10)				
Cooperatively financed research to eliminate the Mediterranean fruitfly and melon fly from Hawaii.....	424, 000	424, 000	424, 000	924, 000
(11)				
Research on blackhull disease of peanuts.....	² 25, 000	0	0	(² 30, 000)
(12)				
Cooperative research program on the dogfly.....	0	0	0	100, 000
(13)				
Research on temporary storage of high moisture feed grains.....	0	0	0	100, 000
(14)				
Fowl cholera in turkeys.....	0	0	0	100, 000
(15)				
Investigation of mosaic resistant and cold tolerant sugarcane varieties, Houma, Louisiana.....	25, 000	25, 000	25, 000	150, 000
Total.....	¹ 6, 004, 200	5, 844, 200	¹ 5, 944, 200	¹ 8, 109, 200

¹ Includes \$100,000 by transfer from contingency research.² Existing contract for 25,000 made with 1968 funds expires October 1970 and 1971 funds to be derived by use of contingency research fund.³ Existing contract executed in 1967.

There follows a summary of the Committee's recommendations on planning and construction of research facilities:

FACILITIES—PLANNING AND CONSTRUCTION

Item	1970 Appropriation Act	Fiscal 1971		
		Budget estimate	House bill	Senate committee recom- mendations
(1)				
Eliminate 1970 nonrecurring construction items.....	\$935,000			
(2)				
Construction of Grasslands Research Facility, Temple, Tex.....			\$1,500,000	
(3)				
Completion of all phase I construction, U.S. Animal Research Center, Clay Center, Nebr.....				\$1,800,000
(4)				
Modernization of Northeast soil and water conservation, Orono, Maine.....				600,000
(6)				
Enlargement of research facilities for horticultural spe- cialty corps in Northwest at Corvallis, Oreg., and Puyal- lup, Wash.....				600,000
(7)				
Planning funds for soil and water research at Baton Rouge, La.....				80,000
(8)				
Planning funds to construct North-central dairy cattle management and forage research laboratory, Madison, Wis.....				680,000
Total.....	935,000		1,500,000	3,760,000

The Committee requests the Department to study the priority listing pursuant to Senate Document 59 on the improvement and construction of soil and water research facilities. The Committee notes that there are many items in Priority 25 and suggests the Department may wish to evaluate the necessity for the continuance of all of these research facilities as well as to review the entire priority listing in terms of present and future needs for the acceleration of soil and water conservation research.

It is requested that the Department utilize existing research funds to develop detailed plans and specifications for the establishment of a Northeastern Appalachian Region Fruit Crop Research Station in West Virginia. A feasibility study was received by the committee from the Department on March 6, 1964.

The development of the plans and specifications by the Department for the new research facility is contingent upon the donation of sufficient land necessary for the conduct of the experimental work to be undertaken at the new facility. At the time the committee received the feasibility report it was estimated that 500 acres of land would be required for this purpose.

STAFFING OF NEW RESEARCH LABORATORIES

1. Cotton Research Laboratories

As indicated above, the Committee is recommending funds for the staffing of new laboratories which have been constructed in recent years to meet urgent research needs dealing with several important aspects of the agricultural economy. Several years ago, the Congress authorized a special cost-cutting research program for cotton and has appropriated for the construction of research facilities

essential to this special effort. The budget for fiscal year 1971 did not propose any additional staffing for these new laboratories, but the bill as passed by the House provided for increases of \$385,000 and the Committee recommendation is for an increase of \$950,000 over 1970, for a total of \$1,622,000 for the coming fiscal year. The House version of the bill provided a \$1,000,000 increase for cotton on a matching basis, but the Committee was advised that this procedure was not feasible and in lieu of the House recommendation has included an increase of \$950,000 over 1970 for allocation to three facilities.

2. Pesticides Laboratories

During consideration of the budget for fiscal year 1965, the Committee received a budget amendment (Senate Doc. 85) proposing a large increase in research to develop biological and alternate methods (aside from chemicals) to deal with insects, other pests, and weed control problems.

In reporting the 1965 appropriation bill, the Committee included the full amounts justified to it in these hearings. In fiscal year 1966, again pursuant to the budget estimates, the construction funds for the pesticides laboratories authorized in the 1965 Appropriation Act were approved by the Congress. All of these facilities, except for those proposed for Beltsville, Md., have now been completed and some of them have been standing virtually vacant due to failure of the budget estimates to include funds for their operation.

Since 1965, there have been numerous restrictions placed upon the use of pesticides and insecticides and the need for undertaking the research mission of these laboratories is more urgent today than at the time these facilities were authorized.

The Committee is recommending an appropriation of \$7,921,400 to provide for full staffing of the pesticides laboratories shown on the tabulation below. This represents an increase of \$4,061,000 over the House bill, and \$6,371,000 over the appropriation for 1970. Ordinarily, the Committee would not provide the full amount for staffing in one year and does not insist that the full amount be expended in fiscal 1971, but is making provision in the accompanying bill to achieve full staffing levels by not later than fiscal 1972.

3. Other Research Laboratories

The House bill also provided for several other laboratories which have been completed in recent years and for which no additional staffing was requested in the budget for 1971. For these laboratories the Committee recommends an appropriation of \$2,872,100, an increase of \$1,242,000 over the estimate and the 1970 appropriation, and \$220,000 over the House bill.

4. Expanded Utilization Research Laboratories

The House-passed bill included an increase of \$1,325,000 to staff additions to utilization laboratories and the Committee has concurred in this amount, and has added \$580,000 for the new laboratory at Athens, Georgia, as shown in the following tabulation.

In summary, the Committee recommends \$17,591,400 for staffing the several laboratories. This amount represents an increase of \$10,468,000 over the budget estimate, an increase of \$6,426,000 over the House bill, and \$10,468,000 over the 1970 appropriation.

(The specific list of facilities and amounts referred to appear on the following table:)

STAFFING OF NEW RESEARCH LABORATORIES

Items	Increases, 1971		Amendment requested	Senate committee recommendations	Senate Committee (plus or minus)	
	House bill	Department proposal			Estimate, 1971	House bill, 1971
1970 funds available (including pay costs) and 1971 estimate	(1)	(2)	(2a)	(3)	(4)	
(1) Cotton cost of production laboratories:						
Phoenix, Ariz.	\$386,700	+\$165,000		-\$165,000	\$786,700	+\$400,000
Stonewille, Miss.	132,200	+110,000		-110,000	382,200	+250,000
College Station, Tex.	153,100	+110,000		-110,000	453,100	+300,000
Subtotal	672,000	+385,000		-385,000	1,622,000	+950,000
(2) Pesticides laboratories:						
Gainesville, Fla. (insect attractants)	365,000	+550,000	+\$550,000		1,836,000	+1,471,000
Savannah, Ga. (insect control)	504,300	+220,000	+200,000	-20,000	704,300	+200,000
Stonewille, Miss. (pesticides)	209,800	+330,000	+330,000		1,129,800	+920,000
Stonewille, Miss. (weed research)	141,900	+440,000	+440,000		1,256,900	+1,115,000
Durant, Okla. (water pollution)	150,800	+220,000	+220,000		590,800	+440,000
College Station, Tex. (livestock insects)	178,600	+550,000	+550,000		2,403,600	+2,225,000
Subtotal	1,550,400	+2,310,000	+2,290,000	-20,000	7,921,400	+6,371,000
(3) Other research laboratories:						
Georgetown, Del. (poultry)	53,800	+55,000		-55,000	253,800	+200,000
Byron, Ga. (fruit and nut crops)	617,200	+55,000		-55,000	672,200	+55,000
Dawson, Ga. (peanut marketing)	361,800	+55,000		-55,000	416,800	+55,000
Baton Rouge, La. (beefstock)		+100,000		-100,000	100,000	+100,000
Oxford, Miss. (sedimentation)		+165,000		-165,000	165,000	+165,000
Miles City, Mont. (range)	169,800	+75,000		-55,000	224,800	+55,000
Grand Forks, N. Dak. (nutrition)	78,500	+275,000	+275,000		428,500	+350,000
Pendleton, Oreg. (soil and water)	96,100	+55,000		-55,000	151,100	+55,000
University Park, Pa. (pasture)		+110,000		-110,000	110,000	+110,000
Madison, Wis. (barley)	170,900	+55,000		-55,000	225,900	+55,000
Madison, Wis. ²	82,000	+42,000		-42,000	124,000	+42,000
Subtotal	1,630,100	+1,022,000	+275,000	-747,000	2,872,100	+1,242,000
(4) Utilization research laboratories:						
Albany, Calif.	507,900	+165,000		-165,000	672,900	+165,000
Athens, Ga.	1,407,400	+465,000		-465,000	2,452,400	+1,045,000
Peoria, Ill.	482,700	+365,000		-365,000	847,700	+365,000
New Orleans, La.	485,400	+165,000		-165,000	650,400	+165,000
Wyndmoor, Pa.	387,500	+165,000		-165,000	552,500	+165,000
Subtotal	3,270,900	+1,325,000		-1,325,000	5,175,900	+1,905,000
Adjustment for delays in staffing		-1,000,000		+1,000,000		+1,000,000
Total	7,123,400	+4,042,000	+2,565,000	-1,477,000	17,591,400	+6,426,000
						+10,468,000

¹ Includes additional funds for pay cost increases.² This is not for staffing a recently completed USDA laboratory. It would be used for cooperative work on oat quality research at the University of Wisconsin. These funds would allow (1) equipping the oat quality laboratory, and (2) increasing cooperative research efforts to improve oat quality.

PLANT AND ANIMAL DISEASE AND PEST CONTROL

1970 new budget (obligational) authority-----	\$90, 809, 750
1971 budget estimates—New (obligational) authority-----	98, 763, 750
House bill—New (obligational) authority-----	98, 619, 750
Committee recommendation—New (obligational) authority-----	99, 369, 750

The appropriations recommended under this heading are used by the agency to carry out a number of cooperatively financed plant and animal disease and pest control programs. Most of the funds appropriated are for the purpose of eradicating plant pest insects and animal diseases which have been introduced to the United States, or to supervise the import and export of plants and animals and to carry out a plant and animal quarantine service at ports of entry. Funds are also provided to administer various regulatory acts, such as pesticide regulations, the Virus-Serum-Toxin Act, eradication of hog cholera and a new act entitled the "Laboratory Animal Welfare Act of 1966" (Public Law 89-544).

An appropriation of \$99,369,750 is recommended for the program and administrative expenses financed under this appropriation heading. This represents an increase of \$8,560,000 over the 1970 Appropriation Act, \$606,000 over the budget estimate for 1971, and \$750,000 over the House bill. The amount recommended includes mandatory pay costs and the following program changes:

(a) An increase of \$2,000,000 for the cooperatively financed imported fire ant program providing a total of \$7,643,200 for the coming year.

(b) An increase of \$210,000 for plant quarantine at points of entry, making a total of \$13,950,700.

(c) \$6,450,000 is provided for the hog cholera eradication program for an increase of \$1,000,000 over the amount available in 1970 and \$500,000 over the amount appropriated in the House bill.

(d) For registration and enforcement activities under the Federal Insecticide, Fungicide, and Rodenticide Act, the Committee recommends \$6,018,100 for the coming year, an increase of \$2,213,900 over the amount available in 1970, \$750,000 over the amount carried in the House bill, and \$650,000 under the budget estimate.

The committee has restored the budget estimate of \$1,500,000 for the control of emergency outbreaks for insects, plant diseases and animal diseases as proposed in the estimate rather than \$2,000,000 recommended in the House bill.

There follows a summary reflecting program changes for the coming fiscal year:

Item(s)	1970 Appropriation Act (1)	Budget estimates, 1971 (2)	House bill, 1971 (3)	Senate committee recommendation, 1971 (4)
(1)				
Imported fire ant program.....	\$5,536,200	\$7,643,200	\$7,643,200	\$7,643,200
(2)				
Plant quarantine inspection.....	12,623,700	13,950,700	13,950,700	13,950,700
(3)				
Reductions to eliminate the following plant pest control programs:				
European chafer.....	166,000		172,000	172,000
Soybean cyst nematode.....	519,600		538,000	538,000
Phony peach and peach mosaic.....	205,000		211,000	211,000
Sweetpotato weevil.....	323,300		335,000	335,000
Subtotal.....	1,213,900		1,256,000	1,256,000
(4)				
Hog cholera eradication.....	5,191,700	6,450,000	5,950,000	6,450,000
(5)				
Registration and enforcement activities under the Federal Insecticide, Fungicide, and Rodenticide Act.....	4,004,100	6,668,100	5,268,100	6,018,100
(6)				
Contingency fund for control of outbreaks of insects, plant diseases, and animal diseases.....	1,500,000	1,500,000	2,000,000	1,500,000
(7)				
Facility to eliminate nonrecurring item included in 1970.....	1,500,000			
(8)				
Other items.....	59,240,150	62,551,750	62,551,750	62,551,700

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

1970 new budget (obligational) authority.....	\$5,000,000
1971 budget estimate—New (obligational) authority.....	5,000,000
House bill—New (obligational) authority.....	5,000,000
Committee recommendation—New (obligational) authority.....	5,000,000

Overseas research utilizing foreign currencies generated pursuant to section 104(b) (1) and (3) of Public Law 480, as amended, supplements and complements agricultural and forestry research conducted in the United States financed by regular dollar appropriations. Foreign research projects do not duplicate or displace domestic research conducted by the Department or its cooperators. Since these projects are of mutual interest to the United States and the host countries, in addition to developing scientific information of great importance to American agriculture, the research under this program is making a contribution to the solution of agricultural problems of the lesser developed countries in which it is carried out.

An appropriation of \$5,000,000 is recommended for the coming fiscal year. This is the budget estimate, the amount contained in the House bill, and the same amount appropriated for fiscal year 1970.

The amount included in the bill is sufficient to continue the program at the same level as conducted during fiscal year 1970.

COOPERATIVE STATE RESEARCH SERVICE

PAYMENTS AND EXPENSES

1970 new budget (obligational) authority-----	\$62, 510, 000
1971 budget estimates—New (obligational) authority-----	72, 535, 000
House bill—New (obligational) authority-----	65, 076, 000
Committee recommendation—New (obligational) authority-----	69, 826, 000

The Cooperative State Research Service was established by Secretary's Memorandum No. 1462, dated July 19, 1961, and supplement 1, dated August 31, 1961, under Reorganization Plan No. 2 of 1953. The primary function of the Service is to administer acts of Congress that authorize Federal appropriations for agricultural research carried on by the State agricultural experiment stations of the 50 States and Puerto Rico, by approved schools of forestry and nonprofit institutions.

Acts under which payments to States may be made include:

1. Agricultural Experiment Stations Act of August 11, 1955 (Hatch Act of 1887, as amended, 7 U.S.C. 361a-361i).

2. Section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623).

3. Cooperative Forestry Research Act of October 10, 1962 (16 U.S.C. 582-582a-7).

4. Act of September 6, 1958 (42 U.S.C. 1891-1893) and the Act of August 4, 1965 (7 U.S.C. 450b), authorizing grants for support of scientific research.

5. Research Facilities Act of July 22, 1963 (7 U.S.C. 390-390k).

Administration of payments and grants involves the review and approval in advance of each individual research proposal submitted by a State agricultural experiment station or other institution to be financed in whole or in part from Federal grant funds, the disbursement of the funds, and the continuous review and evaluation of research programs and expenditures thereunder. The Service also encourages and assists in the establishment and maintenance of cooperation within and between the States, and participates in the planning and coordination of research programs between the States and the U.S. Department of Agriculture.

The program coordination and planning is carried out by a Cooperative State Research Service staff located entirely in Washington, D.C.

The Committee recommends a total appropriation of \$69,826,000 to finance the various programs administered by the Cooperative State Research Service, including the cost of administration. The total amount recommended is an increase of \$7,316,000 over the amount appropriated for fiscal year 1970, \$4,750,000 over the amount included in the House bill, and \$2,709,000 under the fiscal year 1971 budget request.

The specific amounts recommended are as follows:

For payments to the state experiment stations under the Hatch Act, as amended, the Senate bill includes \$61,390,000. This is an increase of \$6,201,000 over the amount provided in fiscal year 1970, \$3,000,000 over the amount recommended in the House bill, and \$2,709,000 below the 1971 estimate.

The increases over 1970 include \$3,104,970 for the increased cost of conducting research, and \$3 million for Community Improvement Research. The Committee believes the states should have the opportunity to apply their skills and effectiveness to this field of research and has restored \$3 million of the budget estimate of \$5 million, denied by the House.

For Grants to States for Cooperative Forestry Research, the Committee recommends \$4,412,000 which is the budget estimate, \$400,000 over the amount included in the House bill, and \$627,000 over the amount appropriated for 1970. The committee recommends continuation of the existing formula under which these funds are distributed.

An appropriation of \$3,350,000 is included in the Senate bill for Contracts and Grants for Research. This is the amount of the 1971 estimate, \$1,350,000 over the amount recommended in the House bill and the amount appropriated for 1970. The Senate increase for this item will provide sufficient funds to set up 5 "pilot" regional research centers which will concentrate on Community Improvement Research and render specialized assistance to the States in connection with this new program.

For Federal Administration, the Committee recommends \$514,000. This is an increase of \$138,000 over the amount appropriated for 1970 and the same as the budget amount and the amount carried in the House bill.

EXTENSION SERVICE

PAYMENTS AND EXPENSES

Appropriation item (1)	New budget (obligational) authority enacted to date, fiscal year 1970 (2)	Budget estimates of new (obligational) authority, fiscal year 1971 (3)	New budget (obligational) authority recommended in House bill (4)	Committee recommenda- tion (5)
Payments to States and Puerto Rico.....	\$114,006,000	\$150,431,000	\$140,031,000	\$150,431,000
Retirement and employees' compensation costs for extension agents.....	10,240,000	13,515,000	13,515,000	12,932,600
Penalty mail.....	3,400,000	3,617,000	3,617,000	3,617,000
Federal Extension Service.....	3,838,000	4,228,000	4,188,000	4,188,000
Total, Extension Service.....	131,484,000	171,791,000	161,351,000	171,168,600

The basic responsibility of the Cooperative Extension Service is to help people identify and solve their farm, their home, and their community problems through the use of research findings resulting from investigations of the Department of Agriculture and the State Land-Grant Colleges and related programs administered by the Department of Agriculture.

State and county extension work is financed from Federal, State, County, and local sources. These funds are used within the States for the employment of county agents, home economics agents, 4-H Club agents, State and area specialists and others who conduct the joint educational programs adapted to local problems and conditions.

Since fiscal year 1969, the Cooperative Extension Service has been conducting a nutrition education program for the poor. Under this program several thousand part-time employees, designated as nutrition aides, have been trained to work with low-income families and to provide guidance in the acquisition and use of improved nutrition of foods made available pursuant to the Food Stamp Program or as a result of Direct Distribution Programs.

The total amount recommended for Extension payments and expenses is \$171,168,600, a net increase of \$39,684,600 over the amount appropriated for fiscal year 1970, \$9,817,600 over the House bill, and

\$622,400 under the 1971 estimate. Details of the Committee action on the individual appropriation items are contained in the foregoing table.

An appropriation of \$89,321,000 is recommended by the Committee for payments and expenses to the States under section 3(b) and 3(c) of the Smith-Lever Act. This represents the full budget estimate, the same amount carried in the House bill, and \$5,700,000 over the 1970 appropriation. The amount recommended includes \$5,700,000 for increased operating costs.

The Committee has approved the full budget requested increase of \$20,000,000 for the nutrition education program under section 3(d). This will make a total of \$48,560,000 available for the hiring of approximately 2,600 additional nutrition aides to help impart to the disadvantaged skills and knowledge aimed at improving their nutritional habits.

The Committee is also including \$10,400,000, the amount of the estimate, for nonformula distribution which will be used to conduct extension activities for State and multi-county rural community development work.

The Committee recommends \$12,932,600 for mandatory retirement costs for extension agents. This is \$582,400 below the budget estimate, the House bill, and \$2,692,600 over the amount appropriated in fiscal 1970.

An appropriation of \$3,617,000 is recommended for penalty mail costs. This is the full estimate and the amount recommended in the House bill, and \$217,000 over the amount appropriated for fiscal 1970.

The Committee is recommending \$4,188,000 for the expenses of the Federal Extension Service, which provides leadership and coordination services and administers the Federal laws relating to Extension work. The amount recommended is \$40,000 under the budget estimate, the same as the House amount, and \$350,000 over the appropriation for 1970.

FARMER COOPERATIVE SERVICE

SALARIES AND EXPENSES

1970 new budget (obligational) authority-----	\$1, 500, 000
1971 budget estimates—New (obligational) authority-----	1, 689, 000
House bill—New (obligational) authority-----	1, 649, 000
Committee recommendation—New (obligational) authority-----	1, 684, 000

The Secretary of Agriculture established the Farmer Cooperative Service in December 1953, after Congress, in the Farm Credit Act (Public Law 202, August 6, 1953), transferred its functions from Farm Credit Administration to the Secretary of Agriculture.

The Secretary has assigned to the Service (1) the functions under the Cooperative Marketing Act of 1926 (7 U.S.C. 451–457), (2) the functions that relate to the economic and marketing aspects of farmer cooperatives under the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627), and (3) his responsibilities authorized by the Agricultural Fair Practices Act of 1967 (7 U.S.C. 2301–2306).

Farmer Cooperative Service conducts research; advises directly with cooperative leaders and others; promotes cooperative organization and development through other Federal and State agencies; and

publishes results of its research, issues "News for Farmer Cooperatives" and provides other educational material.

Farmer Cooperative Service works to help (1) farmers get better prices for their products and reduce operating expenses, (2) rural and smalltown residents use cooperatives to develop rural resources, (3) rural cooperatives expand their services and operate more efficiently, and (4) people understand the work of these cooperatives.

The committee recommends an appropriation of \$1,684,000 for this agency. This amount is \$5,000 under the revised budget estimate; \$35,000 over the House bill and \$184,000 over the amount appropriated for fiscal year 1970.

The increase over 1970 provides for increased pay costs and a program increase of \$35,000 which will be used for increased technical assistance to agricultural cooperatives.

SOIL CONSERVATION SERVICE

The Soil Conservation Service was established by the act of April 27, 1935. This agency carries out a wide range of conservation and land treatment measures through appropriations made for several sub-items including assistance to organized conservation districts, the conduct of river basin surveys and investigations, watershed planning and watershed works of improvement, flood prevention measures in the 11 authorized watersheds, the Great Plains Conservation Program, and special assistance to approved resource conservation and development projects.

The appropriations for each of these general activities are listed below together with a brief description of the activities carried out for each appropriation item.

CONSERVATION OPERATIONS

1970 new budget (obligational) authority-----	\$118, 786, 000
1971 budget estimates—New (obligational) authority-----	128, 467, 000
House bill—New (obligational) authority-----	128, 557, 000
Committee recommendation—New (obligational) authority-----	128, 457, 000

Under the appropriation "Conservation operations" the Soil Conservation Service provides technical assistance to farmers and ranchers. It also furnishes technical assistance to cooperators in soil and water conservation districts and to other landowners in developing plans and applying conservation treatments. It makes soil surveys to determine land capabilities and conservation treatment needs and publishes soil survey reports and maps. In the Western States it conducts snow surveys to develop streamflow forecasts as an aid to efficient seasonal use of water for irrigation and other purposes. The operation of plant material centers to test promising new species of plant materials is also financed under this appropriation heading.

An appropriation of \$128,457,000 is recommended for this item for the coming fiscal year. The amount recommended represents an increase of \$9,671,000 over the 1970 Appropriation Act, \$10,000 under the budget estimate for the coming year, and \$100,000 under the House bill. The amounts recommended include pay act costs, an increase of \$197,000 for the operation of plant material centers, and \$60,000 to accelerate the publication of soil survey reports. The committee concurs in the recommendation of the Department to provide

for the staffing of newly organized soil conservation districts by transferring personnel from existing districts.

The committee has stricken from the bill a legislative provision dealing with flood prevention activities in cooperation with the Corps of Engineers. Since the committee had not received any information as to the need for such permanent authorization, including the impact and cost upon flood prevention activities, it has eliminated this language with the expectation that fuller information and any specific need therefor will be furnished to the committee.

RIVER BASIN SURVEYS AND INVESTIGATIONS

1970 new budget (obligational) authority.....	\$8, 187, 000
1971 budget estimate—New (obligational) authority.....	9, 043, 000
House bill—New (obligational) authority.....	9, 043, 000
Committee recommendation—New (obligational) authority.....	9, 043, 000

Under this appropriation heading the funds for the conduct of cooperative river basin surveys and investigations are provided. This program involves cooperation with other Federal agencies, and with State and local agencies in making comprehensive river basin surveys and investigations. The program is designed to assist in the development of a coordinated water resource program. The agency is represented on the Water Resources Council, river basin commissions, and river basin interagency committees for the purpose of participating in the development of a coordinated water resource program among the designated Federal agencies and the several States.

For the river basin surveys and investigations the committee recommends an appropriation of \$9,043,000, which is the full budget estimate and the amount carried in the House bill. This is a net increase of \$856,000 over the amount appropriated to date for fiscal year 1970 of which \$628,000 represents Pay Act costs and the additional \$228,000 will be used to carry out programmed river basin surveys and special economic and flood hazard analyses.

WATERSHED PLANNING

1970 new budget (obligational) authority.....	\$6, 209, 000
1971 budget estimates—New (obligational) authority.....	5, 434, 000
House bill—New (obligational) authority.....	6, 698, 000
Committee recommendation—New (obligational) authority.....	5, 434, 000

Funds appropriated under this heading are used to conduct investigations and surveys of proposed watershed projects in response to requests made by sponsoring local organizations and to assist in the development of watershed work plans.

An appropriation of \$5,434,000 is recommended for watershed planning for fiscal year 1971. This is the amount of the budget estimate, \$1,264,000 under the amount recommended in the House bill, and the same amount appropriated for fiscal year 1970. In addition to the appropriation, watershed planning funds are also provided from State and local sources. For fiscal year 1971, their matching funds are estimated at \$3,450,000, which will make a total of \$8,884,000 available for planning new watershed projects in the coming fiscal year.

WATERSHED WORKS OF IMPROVEMENT

1970 new budget (obligational) authority-----	\$63, 873, 000
1971 budget estimate—New (obligational) authority-----	74, 278, 000
House bill—New (obligational) authority-----	74, 278, 000
Committee recommendation—New (obligational) authority-----	76, 000, 000

Under this appropriation is financed the administration of the watershed protection program including the installation of planned works of improvement in approved watershed projects to reduce erosion, floodwater, and sediment damage, and to further the development of conservation measures to utilize and dispose of water, including development of recreational facilities.

An appropriation of \$76,000,000 for this item is recommended for fiscal 1971. The amount recommended is \$1,722,000 over the budget estimate and the House bill, and an increase of \$12,127,000 over the 1970 Appropriation Act. Except for pay costs of \$2,159,000, the increased funds are for stepping up the installation of construction on approved watershed projects. This is in accordance with intent of the committee to advance the rate of completion on construction work in approved watersheds.

FLOOD PREVENTION

1970 new budget (obligational) authority-----	\$23, 923, 000
1971 budget estimates—New (obligational) authority-----	21, 037, 000
House bill—New (obligational) authority-----	21, 037, 000
Committee recommendation—New (obligational) authority-----	21, 037, 000

The Service has general responsibility for administration of the flood prevention program including the development of guiding principles and procedures. The activities conducted in the 11 authorized watersheds include: (a) planning and installing works of improvement for flood prevention and for the conservation, development, utilization, and disposal of water, including the development of recreational facilities and improvement of fish and wildlife habitat; and (b) the making of loans to local organizations to help finance the local share of the cost of carrying out planned watershed works of improvement.

An appropriation of \$21,037,000 is recommended for flood prevention activities in the 11 authorized watersheds approved under the Flood Control Act of 1944. The amount recommended is the full budget estimate, the amount carried in the House bill, and \$2,886,000 under the amount appropriated for fiscal year 1970, which included \$3,700,000 provided in the Supplemental Appropriation Act, 1970, for emergency flood prevention measures resulting from Hurricane Camille.

GREAT PLAINS CONSERVATION PROGRAM

1970 new budget (obligational) authority-----	\$15, 000, 000
1971 budget estimates—New (obligational) authority-----	15, 355, 000
House bill—New (obligational) authority-----	15, 355, 000
Committee recommendation—New (obligational) authority-----	16, 355, 000

Under this heading is financed the cost-sharing conservation program authorized by Public Law 1021, 84th Congress, under which farmers and ranchers in designated counties of the Great Plains States enter into long-term contracts to make needed land use adjustments and to install essential soil and water conservation measures specified

in the basic conservation plans developed by technicians of the Soil Conservation Service.

The committee recommends an appropriation of \$16,355,000 for the coming fiscal year for long-term contracts authorized under the Great Plains Conservation Program. This represents an increase of \$1,355,000 over the 1970 Appropriation Act and an increase of \$1,000,000 over the budget estimate and the House bill. The increased funds are needed to meet a portion of the backlog of unserved applications which have accumulated under the program and, even with the increased amount, a large backlog of applications will still remain at the beginning of fiscal 1972. More adequate financing of this program should be requested in future budgets.

RESOURCE CONSERVATION AND DEVELOPMENT

1970 new budget (obligational) authority-----	\$10, 252, 000
1971 budget estimates—New (obligational) authority-----	13, 876, 000
House bill—New (obligational) authority-----	13, 876, 000
Committee recommendation—New (obligational) authority-----	14, 676, 000

Under this appropriation is financed the resource conservation and development technical program authorized under section 102, title I, of the Food and Agriculture Act of 1962. Funds appropriated are used to conduct investigations and to make surveys in designated areas with local sponsors for the purpose of developing an overall program and plan of land conservation and utilization and resource development. Funds are also used to make loans for resource development and improvements on private lands in approved projects.

The Soil Conservation Service has also been designated the operating responsibility for administering the projects heretofore approved under this program as well as the projects heretofore administered by the Farmers Home Administration under the appropriation heading of "Rural Renewal."

An appropriation of \$14,676,000 is recommended for fiscal 1971 for expenses of administering the Resource Conservation and Development program. The appropriation recommended is \$4,424,000 over the 1970 Appropriation Act and is \$800,000 over the House bill and the budget estimate for 1971. The budget recommended a program increase of \$3,055,000, the amount approved by the House, but did not include adequate funds for new project investigations and planning. The budget estimate reduced the project investigation and planning funds by \$900,000 below the 1970 level of \$1,300,000.

In view of the widespread interest in this program, the committee has included \$800,000 to restore project investigation and planning funds to the level of \$1,200,000 for the coming fiscal year in order to provide for the planning of 15 new resource development projects, without impinging upon development work in authorized projects.

ECONOMIC RESEARCH SERVICE

SALARIES AND EXPENSES

1970 new budget (obligational) authority-----	\$13, 450, 000
1971 budget estimates—New (obligational) authority-----	16, 228, 000
House bill—New (obligational) authority-----	14, 592, 000
Committee recommendation—New (obligational) authority-----	16, 228, 000

The Economic Research Service was established by Secretary's Memorandum No. 1446, supplement No. 1, of April 3, 1961, under Reorganization Plan No. 2 of 1953 and other authorities. The Service develops and carries out a program of economic research designed to benefit farmers and the general public. The findings of this research are made available to farmers and others through research reports and through economic outlook and situation reports on major commodities, the national economy, and the international economy.

The research activities conducted by the agency comprise studies in farm economics, market economics, domestic and foreign economic analysis, research conducted through foreign currencies, and economic studies performed for Federal, State, and private agencies.

An appropriation of \$16,228,000, the amount of the budget estimate \$1,636,000 over the House bill, is approved for the coming fiscal year for the operating expenses of this agency. In addition to mandatory pay costs approved by the House, the committee has restored program increases requested in the budget estimate for the following projects:

(a) Adaption and testing of remote sensing techniques for use in making necessary inventories, \$52,000;

(b) An increase of \$512,000 for a total of \$2,238,000 for developing responsive research and basic data for community development;

(c) An increase of \$207,000 for a total of \$3,859,000 to develop better measures of farm income and to improve the techniques of forecasting farm prices and income; and

(d) An increase of \$865,000 for a total of \$2,238,000 for accelerating economic investigations of the impact of world agricultural development and related adjustments and for impact on U.S. foreign trade.

STATISTICAL REPORTING SERVICE

SALARIES AND EXPENSES

1970 new budget (obligational) authority-----	\$15,412,800
1971 budget estimates—New (obligational) authority-----	17,749,800
House bill—New (obligational) authority-----	17,716,800
Committee recommendation—New (obligational) authority-----	17,874,800

The Statistical Reporting Service was established by Secretary's Memorandum No. 1446, supplement 1, of April 3, 1961, under Reorganization Plan No. 2 of 1953, and other authorities. The Service was created to give coordinated leadership to the statistical reporting research and service programs of the Department. It provides a channel for the orderly flow of statistical intelligence about the agricultural economy of this country. The primary responsibilities of this Service are the nationwide crop and livestock estimates, coordination and improvement in the Department's statistical requirements, and special surveys of market potentials for agricultural products.

An appropriation of \$17,874,800 is recommended for the operations of the Statistical Reporting Service during the coming fiscal year. This represents a net increase of \$2,462,000 over the 1970 Appropriation Act and is \$125,000 over the budget estimate and \$158,000 over the amount carried in the House bill. The committee recommends the full

amount for the conduct of all the projects and activities proposed for increases in the budget for the coming fiscal year. It concurs in the House action of including \$100,000 not recommended in the budget for initiating estimates on white corn statistics.

The committee also recommends \$25,000 for a study of the Horticultural Census to determine if additional states or commodities should be included on a regular basis for the regular estimating and reporting program.

The items of change recommended in the budget and included in both versions of the appropriation bill are shown in the following table:

Items	1970 appropriation act (1)	Budget estimates, 1971 (2)	House bill, 1971 (3)	Senate committee, 1971 (4)
(1)				
Multiframe livestock survey.....	\$250,000	\$1,300,000	\$1,300,000	\$1,300,000
(2)				
Probability surveys of farm grain stocks.....	103,500	142,500	142,500	142,500
(3)				
Farm operators expenditures survey.....		80,000		80,000
(4)				
Research to improve agricultural statistics.....	358,400	375,400	358,400	375,400
(5)				
Remote sensing research.....	22,200	58,200	22,200	58,200
(6)				
Corn statistics.....			100,000	100,000
(7)				
Analysis of horticultural statistics.....				25,000

CONSUMER AND MARKETING SERVICE

The Consumer and Marketing Service was established February 8, 1965, pursuant to Reorganization Plan No. 2 of 1953, under terms of the Reorganization Act of 1949, as amended (58 Stat. 742). The Service provides consumer protection through mandatory meat and poultry inspection for wholesomeness and aids in improving the diet of consumers. Through its marketing and regulatory programs, it aids in advancing orderly and efficient marketing and effective distribution of products from the Nation's farms.

On August 8, 1969, the Secretary established the Food and Nutrition Service and transferred all of the food and nutrition programs formerly administered by the Consumer and Marketing Service to this new agency.

CONSUMER PROTECTIVE MARKETING AND REGULATORY PROGRAMS

1970 new budget (obligational) authority.....	\$133,595,000
1971 budget estimate—New (obligational) authority.....	149,247,000
House bill—New (obligational) authority.....	149,247,000
Committee recommendation—New (obligational) authority.....	149,247,000

Under this heading, funds are appropriated to administer programs authorized to provide service and regulatory functions concerned with the orderly marketing of agricultural commodities, including:

(a) Market news service to provide timely and reliable market reports on all major agricultural commodities to help farmers determine when, where, and at what price to sell their products;

(b) Meat inspection to assure that all meat and meat products produced in plants shipping in interstate and foreign commerce are wholesome, and that foreign establishments producing meat products for export to the United States meet Federal standards for sanitation and wholesomeness of product, and to provide technical and financial assistance to States for improving their meat inspection programs;

(c) Poultry inspection to assure that all poultry meat and poultry meat products moving in interstate and foreign commerce are wholesome;

(d) Other inspection, grading, classing, and standardization services to develop standards of quality and condition for agricultural commodities and to use them in providing an impartial inspection, classing, and grading service; and

(e) Regulatory activities covering administration of laws aimed at protecting farmers and others from financial loss resulting from deceptive, careless, and fraudulent marketing practices, and providing assistance in obtaining and maintaining equitable transportation rates and services on farm supplies and products.

An appropriation of \$149,247,000 is recommended for the various activities financed under this appropriation heading. This amount is \$15,651,500 over the fiscal year 1970 appropriation to date, the same as the budget estimate, and the amount carried in the House bill.

\$5,913,000 of this increase over fiscal year 1970 is for meat inspection activities, which will be utilized as follows:

(a) \$982,000 is for grants to States under the cooperative Federal-State programs. This increase will make a total of \$22,599,000 available for this purpose for fiscal year 1971.

(b) \$3,416,000 is for additional Federal inspection of plants located in States that fail to develop inspection programs comparable to the Federal program by December, 1970.

(c) \$1,515,000 is for increased Federal inspection services at those plants shipping meat in interstate commerce.

For poultry inspection activities, the bill includes an increase of \$3,292,000, of which \$150,000 is for assistance to the States in developing comparable poultry inspection programs; \$1,165,000 is for Federal assumption of poultry inspection activities in those States failing to develop a comparable program by August, 1970; and, \$1,977,000 is for additional Federal poultry inspection of plants shipping in interstate commerce.

For cotton classing activities, the bill contains an increase of \$200,000, as proposed in the estimate, which represents higher postal costs for mailing cotton samples.

The remaining \$6,246,000 increase over 1970 represents increased pay costs.

Within the amount appropriated for this item, the committee directs that an additional \$25,000 be utilized for expanding market news serv-

ice on ornamental crops with the understanding that the industry will continue its annual contribution of \$50,000 for the development of improved grade standards for ornamental crops.

PAYMENTS TO STATES AND POSSESSIONS

1970 new budget (obligational) authority-----	\$1, 600, 000
1971 budget estimates—New (obligational) authority-----	1, 600, 000
House bill—New (obligational) authority-----	1, 600, 000
Committee recommendation—New (obligational) authority-----	1, 750, 000

This Service administers the matched fund program for marketing activities carried out through cooperative arrangements with State departments of agriculture, bureaus of markets, and similar State agencies. Payments to States for this purpose were authorized under section 204(b) of the Agricultural Marketing Act of 1946.

The funds appropriated under this heading are used to match appropriations by the States to bridge the gap between research and its application by producers and marketing agencies. Projects are established which enable the States to put into practical application new and improved methods and practices which aid in expanding outlets for agricultural commodities and improved marketing techniques and practices. Projects conducted in cooperation with the States under this appropriation are divided into five major activities: (1) Improving and maintaining the quality of agricultural products through improvements in grades and standards, product specifications and quality; (2) Developing new and expanded markets for agricultural commodities under which emphasis is given to disposing of seasonal surpluses through better advertising to call attention of the consumer to the availability of seasonal and surplus commodities; (3) Increasing marketing efficiency and reducing costs which involve the evaluation of the needs for improved marketing and processing facilities and equipment, or the updating of existing facilities including installation of efficient facilities for performing marketing operations; (4) Assembling and disseminating marketing information—emphasis is placed on the collection and dissemination of marketing information to aid marketing on a State and local marketing basis, and (5) Producer groups and marketing agencies are assisted in organizing, selling and bargaining efforts under cooperative action such as marketing orders to enable them to obtain the most economic returns for their commodities whether sold in a raw or semi-finished state.

An appropriation of \$1,750,000 is recommended for financing cooperative agreements made under the matching-fund program. This is an increase of \$150,000 over the budget estimate and the House bill, and restores the matching payment program to the level provided in fiscal 1968 and prior years.

REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES SECTION 32

The basic purposes of section 32 funds is to encourage the production of food by stabilizing prices for export and domestic consumption of perishable agricultural commodities. The extent of use of funds for the basic purposes of section 32, which has been amended from time to time, depends upon the condition of markets and the extent to which surplus removal programs are initiated to stabilize market conditions.

It is essential that the Department of Agriculture have on hand at all times under the permanent appropriation sufficient funds to enter into the price depressed markets and stabilize them by surplus removal operations. The following table summarizes the estimate of the total funds available for section 32 activities and, together with the balance of \$300 million estimated to be carried over as authorized by law for fiscal year 1969, 1970, and the estimate for 1971:

Item	1969	1970 estimate	1971 estimate
Appropriation or estimate.....	\$596,645,658	\$698,462,614	\$728,000,000
Balance available from prior years.....	300,000,000	299,921,169	300,000,000
Recovery of prior-year obligations.....	784		
Transfers to:			
Child nutrition programs.....	-64,325,000	-194,266,000	-238,358,000
Special milk program.....	-104,000,000		
Agricultural Research Service.....	-15,000,000	-15,000,000	-15,000,000
Foreign Agricultural Service.....	-3,117,000	-3,117,000	-3,117,000
Interior Department.....	-7,412,775	-7,636,414	-7,744,000
Total available after transfers.....	702,791,667	778,364,369	763,781,000
Obligations.....	402,870,498	478,364,369	463,781,000
Unobligated balance carried forward to subsequent year...	299,921,169	300,000,000	300,000,000

FOOD AND NUTRITION SERVICE

The Food and Nutrition Service was established August 8, 1969, by the Secretary's Memorandum No. 1659 and Supplement 1, in accordance with the provisions of Reorganization Plan No. 2 of 1953.

This agency is responsible for the formulation and administration of programs dealing with the child feeding programs (including administration of the school lunch program as amended, and the Special Milk Program), family feeding programs which include the Food Stamp Program, as well as the administration of the Direct Distribution Program to families and to institutions and related specialized nutritional and feeding programs.

FOOD ASSISTANCE PROGRAMS OF THE U.S. DEPARTMENT OF AGRICULTURE

[Program level—Dollars in thousands]

Program	Fiscal year 1969	Fiscal year 1970 ¹	Fiscal year 1971 budget estimate	Fiscal year 1971 House bill	Fiscal year 1971 Senate bill
A. Child nutrition program:					
1. Cash grants to States:					
(a) School lunch (sec. 4).....	\$162,034	\$168,041	\$169,721	\$169,721	\$169,721
(b) Free and reduced price lunches.....	54,000	134,000	200,000	200,000	200,000
(c) School breakfast.....	3,500	12,000	15,000	15,000	15,000
(d) Nonfood assistance.....	748	15,000	12,500	17,500	12,500
(e) State administrative expenses.....	153	2,750	2,750	2,750	2,750
(f) Nonschool food program.....	² 3,244	² 13,572	² 15,000	² 15,000	² 15,000
Total, cash grants.....	223,679	346,163	414,971	419,971	419,971
2 Commodities to States.....	292,107	230,205	264,465	264,465	264,465
3 Federal operating expenses.....	3,995	5,282	5,542	5,542	5,542
Total, child nutrition program.....	519,781	581,650	684,978	689,978	684,978
B. Special milk program:					
1 Milk (direct appropriation).....	102,048	83,814		103,314	103,314
2 Special sec 32 funds used for milk program.....		20,000			
3. Administrative expenses.....	629	686		686	686
Total, special milk program.....	102,677	104,000		104,000	104,000
Total, child nutrition and special milk programs.....	622,458	685,650	684,978	793,978	788,978
C. Family feeding program:					
1. Food stamp program.....	250,981	610,000	1,250,000	1,250,000	1,250,000
2. Direct distribution to families:					
(a) Section 32 commodities.....	192,668	182,015	160,300	160,300	160,300
(b) Financial assistance to States.....	4,154	16,000	19,700	19,700	19,700
(c) Federal direct operation at local level.....	1,300	2,318			
(d) Section 416.....	79,278	61,942	92,745	92,745	92,745
Total, direct distribution to families.....	277,400	262,275	272,745	272,745	272,745
3. Nutrition supplement.....	8,317	33,000	40,000	40,000	40,000
Total, family feeding.....	536,698	905,275	1,562,745	1,562,745	1,562,745
D. Direct distribution to institutions.....	32,227	12,889	26,416	26,416	26,416
E. Nutrition education program ³	9,948	30,000	50,000	50,000	50,000
Total, food assistance program.....	1,201,332	1,633,814	2,324,139	2,433,139	2,428,139

¹ Revised to reflect approval of Public Law 91-207 (Mar. 12, 1970) to provide additional funds for child nutrition program.² Excludes balances carried forward to succeeding year.³ Includes administrative expenses.

SPECIAL MILK PROGRAM

1970 new budget (obligational) authority.....	¹ \$84,000,000
1971 budget estimate—New (obligational) authority.....	—0—
House bill—New (obligational) authority.....	104,000,000
Committee recommendation—New (obligational) authority.....	104,000,000

¹ In addition \$20 million was derived by transfer from section 32, permanent appropriation.

The special milk program is aimed primarily at increasing the consumption of fluid milk by children. From its inception in fiscal year 1955 through fiscal year 1962, the program was financed through advances from Commodity Credit Corporation funds.

The Agricultural Act of 1961 (Public Law 87-128), approved August 8, 1961, authorized financing of the program by regular appropriation. This authorization was amended by the Child Nutrition Act of 1966 (Public Law 89-642), approved October 11, 1966 which extended the program through fiscal year 1970.

The committee recommends an appropriation of \$104,000,000 for the Special Milk Program. This is the amount carried in the House bill and is \$104,000,000 over the budget estimate. This will provide for the continuation of the program at the same level as 1970.

Since the submission of the budget estimate for fiscal 1971, Congress has enacted a permanent authorization for the Special Milk Program at an annual level of \$120,000,000. This bill is awaiting approval of the President. In view of this new authorization and the continued need for the Special Milk Program, the Committee has recommended \$104,000,000 for the coming year, which is \$16,000,000 under the authorization act referred to.

CHILD NUTRITION PROGRAMS

1970 new budget (obligational) authority-----	¹ \$316, 766, 000
1971 budget estimate—New (obligational) authority-----	² 323, 753, 000
House bill—New (obligational) authority-----	² 328, 753, 000
Committee recommendation—New (obligational) authority-----	² 323, 753, 000

¹ Includes \$194,266,000 transfer from Section 32.

² Includes \$238,358,000 transfer from Section 32.

Appropriations provided under this heading are used to carry out Federal contributions to Child Nutrition and Special Feeding Programs conducted in schools and service institutions away from home. Special emphasis is being directed toward reaching the children of needy families in low-income areas.

This agency has responsibility for designing feeding programs which provide well balanced, nutritious meals for children. Participation in Child Feeding Programs is desirable not only from a nutritional standpoint and the well-being of the children themselves, but participation in these programs also enables the children to assimilate proper nutritional habits for use in adult life.

The authorities for the Child Nutrition Programs are the regular School Lunch Act, as amended, and the Special Section 32 Feeding Program. The Federal contribution to the Feeding Programs is augmented by contributions to the States from commodities acquired under Section 6 of the School Lunch Act, purchases and donations of commodities acquired under Section 32, and donations of commodities acquired as a result of price support activities under Section 416.

A total Child Nutrition Program of \$788,978,000 is recommended by the Committee for fiscal year 1971. This total includes \$85,395,000 in direct appropriations; \$238,358,000 by transfer from Section 32 funds; \$156,653,000 for Section 11 special assistance to needy areas to be derived from the Section 32 special feeding program; and \$201,452,000 for donated commodities which will be purchased with Section

32 funds and Section 416 Commodity Credit Corporation funds as part of their regular surplus removal operations.

The amounts recommended are the same as the estimate, and \$5,000,000 under the amount carried in the House bill.

The total amount contained in the Senate bill provides a net increase of \$103,328,000 over funds available for fiscal 1970.

The regular school lunch program authorized by Section 4 of the School Lunch Act continues to grow, and the Department now estimates that approximately 3.4 billion lunches will be served in 1971. The funds available are expected to provide a Federal contribution of 5.0 cents per meal served. The following table reflects program participation for 1968 through the estimate for fiscal 1971.

Item	Fiscal year			
	1968 actual	1969 actual	1970 estimate	1971 estimate
Number of schools (peak participation) ¹	71,983	74,558	85,000	88,000
Number of schoolchildren (average thousands).....	17,700	17,800	18,700	18,900
Number of lunches served (millions).....	3,181.0	3,207.6	3,360.8	3,394.4
Federal cash contribution (millions).....	\$154.7	\$162.0	\$168.0	\$169.7
Average Federal contribution per lunch (cents).....	4.9	5.0	5.0	5.0

¹ Represents total schools participating in school lunch, special assistance and breakfast programs

The bill as reported does not include any additional financing pursuant to the Children's Food Service Programs Act, P.L. 91-248, approved on May 14, 1970. It is anticipated that additional funds will be required under this Act, and it is expected that supplemental appropriation estimates will be transmitted to Congress before the end of this session.

FOOD STAMP PROGRAM

1970 new budget (obligational) authority.....	\$610,000,000
1971 budget estimate—New (obligational) authority.....	1,250,000,000
House bill—New (obligational) authority.....	1,250,000,000
Committee recommendation—New (obligational) authority.....	1,250,000,000

The food stamp program was authorized by Public Law 88-525, approved August 31, 1964. Public Law 90-91, approved September 27, 1967, provided that the act be carried out only with funds appropriated from the general fund of the Treasury for that specific purpose and in no event shall be carried out with funds derived from permanent appropriations. Public Law 90-552, approved October 8, 1968, extended appropriation authority through December 1970, and provided \$340 million authorization for fiscal 1970.

Public Law 91-116, approved November 13, 1969, increased the authorization for fiscal year 1970 to \$610 million. Legislation to increase this authorization has passed the Senate and is presently pending in the House Committee.

The food stamp program is designed to benefit families or individuals receiving some form of welfare assistance, and is also authorized to help other designated families with incomes as low or lower than families receiving welfare. The program is conducted in cooperation with the States with the objective of providing improvements in the diets of low-income families. Eligible persons or families are able to increase their purchase of foods by means of food stamps issued in the form of special Federal assistance. The food stamps are redeemed in designated retail stores. The results of the program show that food purchases are increased.

The committee recommends an appropriation of \$1,250,000,000 for the Food Stamp Program. This is the full budget estimate, the amount contained in the House bill, and an increase of \$640,000,000 over the amount appropriated for the current fiscal year.

The Conference Report (91-1227) on H.R. 17399, the Second Supplemental Appropriation Bill for 1970, provided that \$300,000,000 of the amount recommended under this appropriation could be used for a four-month period during the fiscal year beginning July 1, 1970, pending final enactment of this bill, to enable the Food Stamp Program to continue at its current level pending enactment of the authorizing legislation for the 1971 program.

According to estimates supplied to the Committee, the Food Stamp Program will reach some 5,400,000 participants in about 1,850 projects by June 30, 1970. The additional funds will provide for:

(a) Full-year coverage of the June 30, 1970, participation level including the costs of annualization of the program modifications announced in December 1969;

(b) Coverage of the costs of more extensive program modifications to be made upon passage of the requested reform legislation; and

(c) The partial-year costs of approximately 2.1 million additional participants resulting from program improvements and expansion into new areas. This will bring year-end participation in fiscal year 1971 to about 7.5 million.

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

1970 new budget (obligational) authority-----	¹ \$23, 437, 000
1971 budget estimate—New (obligational) authority-----	¹ 24, 773, 000
House bill—New (obligational) authority-----	¹ 24, 023, 000
Committee recommendation—New (obligational) authority-----	¹ 24, 773, 000

¹ In addition, \$3,117,000 transferred from Section 32.

The Foreign Agricultural Service was established March 10, 1953, by Secretary's Memorandum No. 1320, Supplement 1. Public Law 690, approved August 28, 1954, transferred the agricultural attaches from the Department of State to the Foreign Agricultural Service.

The agency performs two principal kinds of service functions:

It maintains a worldwide agricultural intelligence and reporting service, to assist U.S. agricultural industry in its export operations. This is done through a continuous program of analyzing and reporting foreign agricultural production, markets, and policies.

It helps to develop foreign markets for U.S. farm products through effective market promotion under special export programs and through helping to secure international trade conditions that are favorable toward our products.

The agency directs and coordinates Departmental participation in trade programs and agreements affecting stabilization and expansion of world trade in American agricultural products. It works to reduce tariff and trade practices against import of American commodities. It makes a comprehensive analyses of trade practices and restrictions in the Common Market countries and related trade areas and prepares recommendations for the position of the Department on trade agreements. It conducts a continuing review of trade regulations and signatories of the General Agreement on Tariffs and Trade. It administers the import control programs in accordance with Section 22 of the

Agricultural Adjustment Act of 1935, as amended, and is responsible for administering controls established under the 1964 Meat Import Act and Section 204 of the Trade Expansion Act.

It supervises the activities of agricultural attaches located in 60 posts in the conduct of assigned activities, including reporting on agricultural developments, export potentials, market development, trade policy negotiations, and the reporting upon of these and other aspects of foreign agricultural markets and trade to be of assistance to the maintenance of American industry.

The agency administers a comprehensive cooperative market development program aimed at promoting the export of U. S.-produced commodities and in the conduct of this activity uses various means and methods to promote foreign sales of agricultural commodities in raw or processed form. Develops and maintains current information on foreign market requirements for specific commodities and makes available such data to farm and export trade groups. It supervises the cooperative market development program and renders assistance to cooperators and others in negotiations with foreign government officials, importers and consumers in efforts to further the export of agricultural commodities.

The committee recommends an appropriation of \$24,773,000 and a transfer from Section 32 of \$3,117,000 making a total of \$27,890,000 for operation of the Foreign Agricultural Service in the coming fiscal year. The appropriation recommended is \$1,336,000 over the 1970 Act, is the amount requested in the budget estimate for 1971, and \$750,000 over the House bill.

The committee recommendation includes \$1,000,000 of program increases over 1970 of which \$250,000 is for providing Agricultural Attachés to the important marketing areas of the Far East. Additional attachés and marketing specialists were not included in the budget estimate but recommended by the House committee in its report and concurred in by the Department in its statement to the committee.

The committee strongly supports the stationing of agricultural attachés and other marketing specialists personnel in important U.S. export markets overseas since the service has made a significant contribution to obtaining information and assisting in developing new market outlets. The committee has also restored the balance of the program increase of \$750,000 for continuation of the 5-year export program launched in fiscal 1970.

Every effort should be made by the agency to cope with problems of increased import restrictions in the European Economic Community, our biggest market area, which is shrinking, and to deal with the prospects of England and other nations engaging in the imposition of barriers to the sale of U.S. agricultural commodities.

COMMODITY EXCHANGE AUTHORITY

SALARIES AND EXPENSES

1970 new budget (obligational) authority-----	\$2, 321, 000
1971 budget estimate—New (obligational) authority-----	2, 552, 000
House bill—New (obligational) authority-----	2, 552, 000
Committee recommendation—New (obligational) authority-----	2, 552, 000

The Commodity Exchange Authority administers the Commodity Exchange Act of September 21, 1922, as amended. The objectives under the act are to prevent commodity price manipulation and market corners; prevent dissemination of false and misleading crop and

market information affecting commodity prices; protect hedgers and other users of the commodity futures markets against cheating, fraud, and manipulative practices; insure the benefits of membership privileges on contract markets to cooperative associations of producers; insure trust-fund treatment of margin moneys and equities of hedgers and other traders and prevent the misuse of such funds by brokers; and provide information to the public regarding trading operations and contract markets.

The committee recommends \$2,552,000, the budget estimate for 1971 and the amount provided in the House bill for the conduct of the operations of the Commodity Exchange Authority. This is an increase of \$231,000 over the amount appropriated for 1970, of which \$157,000 is for pay costs. The remaining \$74,000 increase, and other anticipated savings, will allow this agency to utilize computers to assist it in supervising the trading of commodity futures.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

The Agricultural Stabilization and Conservation Service was established by the Secretary of Agriculture on June 5, 1961, under the authority of Reorganization Plan No. 2 of 1953, in accordance with the Reorganization Act of 1949, as amended (5 U.S.C. 901-913). The agency administers a number of agricultural program activities as described below.

EXPENSES, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

Agency and item	New budget (obligational) authority enacted to date, fiscal year 1970	Budget estimates of new (obligational) authority, fiscal year 1971	New budget (obligational) authority recommended in House bill	Senate committee recommendation
(1)	(2)	(3)	(4)	(5)
Service:				
Expenses, ASCS:				
Direct appropriation.....	\$146,000,000	\$135,466,000	\$152,690,000	\$150,000,000
Transfer from CCC.....	62,483,000	68,779,000	68,779,000	68,779,000
Total expenses, ASCS.....	208,483,000	204,245,000	221,469,000	218,779,000

Under this appropriation item funds are made available for the administrative expenses of a number of farm programs administered by the Agricultural Stabilization and Conservation Service. The several program administered by this agency include production adjustment programs dealing with the various commodities and the special acreage production programs; administration of the Sugar Act program; administration of the agricultural conservation program; administration of the emergency conservation measures; the cropland adjustment and conversion programs; the conservation reserve program payments and the Appalachian region conservation program; the administration of price support and related programs and special activities and export programs, as authorized pursuant to the foreign assistance programs, together with related service activities assigned to the agencies.

The committee recommends a direct appropriation of \$150,000,000 and a transfer from CCC corporate funds of \$68,779,000, for a total of \$218,779,000 for fiscal year 1971. The amounts recommended represent

a net increase of \$10,296,000 over the 1970 Appropriation Act, a decrease of \$2,690,000 under the House bill, and an increase of \$14,534,000 over the budget estimate.

The committee recommends a reduction under the House bill of \$2,690,000, and believes that some of the reduction can be absorbed by adjustments in the Washington and State offices, due to expiration of Cropland Adjustment and Conservation Reserve programs, and through the elimination of less essential Washington office staff positions.

SUGAR ACT PROGRAM

1970 new budget (obligational) authority-----	\$93,000,000
1971 budget estimate—New (obligational) authority-----	83,600,000
House bill—New (obligational) authority-----	83,600,000
Committee recommendation—New (obligational) authority-----	83,600,000

Under this heading payments are made to domestic producers who comply with certain special provisions of the Sugar Act of 1948, as amended. Payments for this program are financed from a tax of 50 cents per hundred pounds imposed on all beet and cane sugar processed or imported into the United States used for direct consumption.

An appropriation of \$83,600,000 for Sugar Act payments is recommended for fiscal year 1971. This is the budget estimate, the same amount contained in the House bill, and a decrease of \$9,400,000 under the amount provided for fiscal year 1970.

Sugar payments are mandatory to domestic producers who comply with the provisions of the Sugar Act of 1948, as amended, and payments are financed from a tax of 53.5 cents per 100 pounds on all beet and cane sugar processed or imported into the United States. To date, these tax collections, which go into the general fund of the Treasury, have exceeded producer payments under this act by \$612 million.

ADVANCE AUTHORIZATION FOR 1971 PROGRAM (CONTRACT AUTHORIZATION)

1970 new budget (obligational) authority-----	\$195,500,000
1971 budget estimate—New (obligational) authority-----	—0—
House bill—New (obligational) authority-----	195,500,000
Committee recommendation—New (obligational) authority----	190,000,000

LIQUIDATION OF CONTRACT AUTHORIZATION

1970 new budget (obligational) authority-----	\$(195,500,000)
1971 budget estimate—New (obligational) authority-----	(185,000,000)
House bill—New (obligational) authority-----	(185,000,000)
Committee recommendation—New (obligational) authority----	(185,000,000)

The agricultural conservation program is authorized by the provisions of section 7 to 16(a), inclusive, and section 17 of the Soil Conservation and Domestic Allotment Act, as amended. The act aims at restoring and improving soil fertility. It contributes to reducing erosion caused by wind and water. It also helps in conserving water on land. Costs are shared with individual farmers and ranchers who perform approved soil-building and soil- and water-conserving practices on their farms. This assistance represents only a part of the cost of performing the practice. The farmer bears the balance of the cost which averages about 50 percent.

An appropriation of \$185,000,000 is recommended to liquidate the contract authorization for the 1970 program approved last year. The

amount recommended is the same as the budget estimate and the amount carried in the House bill.

The committee recommends an advance program authorization of \$190,000,000 for the 1971 Agricultural Conservation Program. This is an increase of \$190,000,000 over the budget estimate and is \$5,500,000, under the authorization carried in the House bill.

The committee concurs in the language in the House Report regarding the resource conservation and anti-pollution benefits which have derived from the ACP Program.

A highlight summary of the benefits contributed by the ACP program to soil and water conservation efforts is reflected in the following tabulation taken from justifications presented to the Committee in connection with the budget estimates for fiscal 1971.

Practice	Unit	Accomplish- ments 1936-68 (in thousands)
Water storage reservoirs constructed to distribute grazing, control erosion, and conserve irrigation water and wildlife.....	Structures.....	2, 072
Terraces constructed to control erosion or conserve water.....	Acres.....	30, 697
Stripcropping systems established to control wind or water erosion and conserve water.....	do.....	113, 404
Permanent sod waterways established to control erosion and safely dispose of excess runoff.....	do.....	1, 050
Competitive shrubs controlled on range or pasture to permit growth of adequate cover for erosion control.....	do.....	57, 662
Trees and shrubs planted for forestry purposes, erosion control, or land-use adjustment.....	do.....	4, 794
Forest tree stands improved for forestry purposes and erosion control.....	do.....	3, 931

CROPLAND ADJUSTMENT PROGRAM

1970 new budget (obligational) authority.....	\$78, 600, 000
1971 budget estimate—New (obligational) authority.....	77, 800, 000
House bill—New (obligational) authority.....	77, 800, 000
Committee recommendation—New (obligational) authority.....	77, 800, 000

This program is authorized by title 6 of the Food and Agriculture Act of 1965. The purpose of this program is to assist farmers through long-term agreements to divert land from the production of unneeded crops to uses which will promote the development of soil, water, forest, wildlife, and recreational resources. There is authority under this program also to establish, protect, and conserve open spaces and natural beauty and to prevent air and water pollution.

An appropriation of \$77,800,000 is recommended for payments under the Cropland Adjustment Program. The amount recommended is the full budget estimate and the same amount contained in the House bill, and \$800,000 below the appropriation for fiscal 1970.

These payments are required for agreements entered into in 1966 and 1967. No program is authorized for fiscal year 1971.

EMERGENCY CONSERVATION MEASURES

1970 new budget (obligational) authority.....	\$5, 000, 000
1971 budget estimate—New (obligational) authority.....	5, 000, 000
House bill—New (obligational) authority.....	5, 000, 000
Committee recommendation—New (obligational) authority.....	5, 000, 000

The program of emergency assistance was authorized by the Third Supplemental Appropriation Act of 1957 (Public Law 85-58). Assist-

ance is available only when, as a result of wind erosion, floods, hurricanes, or other natural disasters, new conservation problems are created which (1) if not treated, will impair or endanger the land; (2) materially affect the productive capacity of the land; (3) represent damage which is unusual in character and, except for wind erosion, is not the type which would recur frequently in the same area; and (4) will be so costly to rehabilitate that Federal assistance is or will be required to return the land to productive agricultural use.

An appropriation of \$5 million is recommended for the coming fiscal year for emergency conservation measures to deal with expenses essential to the repair of farm and range lands resulting from natural disasters. This is the amount of the budget estimate, the amount of the House bill, and the same amount that was appropriated last year.

The \$5 million appropriation, plus anticipated carryover of \$8,098,915 million, as well as estimated recoveries from prior year obligations totaling \$3,400,000, will make a total availability next year of \$16,498,915.

INDEMNITY PAYMENTS TO DAIRY FARMERS

1970 new budget (obligational) authority-----	\$200, 000
1971 budget estimate—New (obligational) authority-----	0
House bill—New (obligational) authority-----	0
Committee recommendation—New (obligational) authority-----	500, 000

The committee has recommended an appropriation, for which there is no authorization, for continuance of "Indemnity Payments to Dairy Farmers" for the coming fiscal year in the amount of \$500,000. The Committee has increased the amount from \$200,000 to \$500,000 based upon information received by it to the effect that in recent months larger indemnity payments have been authorized. In the event the full amount is not required, the appropriation will elapse.

The language recommended by the committee and the criteria to be followed in the new language follows:

INDEMNITY PAYMENTS TO DAIRY FARMERS

For necessary expenses involved in making payments to dairy farmers who have been directed to remove their milk from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, \$500,000: Provided, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of his willful failure to follow procedures prescribed by the Federal Government.

RURAL COMMUNITY DEVELOPMENT SERVICE

SALARIES AND EXPENSES

1970 new budget (obligational) authority-----	\$450, 000
1971 budget estimate—New (obligational) authority-----	0
House bill—New (obligational) authority-----	230, 000
Committee recommendation—New (obligational) authority-----	0

The Rural Community Development Service cooperates with all phases of rural development, and serves the Secretary of Agriculture and other departments of Government at the Washington level in the implementation of rural development programs. The Rural Community Development Service identifies Federal programs outside the

Department of Agriculture that are still not effectively reaching rural areas because of administrative difficulties of communicating with a dispersed rural population. It also works with departments and agencies having such programs to develop effective means for overcoming these administrative difficulties by appropriate adjustments in the programs and by setting up appropriate methods of utilizing the services of Farmers Home Administration and other Department of Agriculture agencies to facilitate effective availability of useful programs of other departments in rural areas.

Secretary's Memorandum No. 1679, dated January 30, 1970, abolished the Rural Community Development Service and transferred its functions to other agencies of the Department. House Document 91-305, transmitted to the Congress on April 13, 1970, distributed the \$484,000 for the RCDS in the original budget to the following agencies:

Office of the Secretary-----	\$140, 000
Farmer Cooperative Service-----	23, 000
Extension Service-----	140, 000
Farmers Home Administration-----	91, 000
Rural Electrification Administration-----	44, 000
Soil Conservation Service-----	32, 000
Forest Service-----	14, 000

The House approved bill continues an appropriation of \$230,000 for a separate agency, but the Committee has stricken this item.

The Congress has vested in the Secretary of Agriculture the authority to make reorganizations and changes in agency assignments such as announced in Memorandum No. 1679. Some members of the Committee may question the wisdom of changes such as the Secretary announced in dispersing rural development coordination functions previously carried out by the Rural Community Development Service.

The House bill denied most of the transfers proposed in the budget amendment including the \$140,000 provided for next year to be used in the "Office of the Secretary." The committee therefore recommends no appropriation under this item, and is recommending \$230,000 under the appropriation "General Administration."

OFFICE OF THE INSPECTOR GENERAL

SALARIES AND EXPENSES

1970 new budget (obligational) authority-----	\$13, 657, 000
1971 budget estimate—New (obligational) authority-----	15, 846, 000
House bill—New (obligational) authority-----	15, 378, 000
Committee recommendation—New (obligational) authority-----	12, 412, 000

Internal audit and investigation activities are carried out by the Office of the Inspector General which was established by the Secretary of Agriculture's Memorandum No. 1503, dated June 25, 1962, and No. 1524, dated December 21, 1962. The Office is responsible to the Secretary for assuring that existing laws, policies, and programs of the Secretary are effectively complied with on every level of administration in accordance with the intent of the Congress and the Secretary. It insures prompt and appropriate corrective action in those areas in which deviation from established law, policy, procedure, rules,

or regulations has developed; and conducts internal audit and investigative activities within the Department and coordinates and correlates them with various investigative agencies of the executive and legislative branches of the Government.

A direct appropriation of \$12,412,000 is recommended for the operation of this Office and, in addition, \$3,434,000 is provided by transfer for audit and investigation of the Food Stamp Program, making a total available for the coming year of \$15,846,000. The amounts provided represent an increase of \$468,000 over the House bill and are the amounts requested in the budget estimate for fiscal 1971.

The amount recommended is \$2,189,000 over the amount carried in the regular Appropriation Act for fiscal 1970. The increased amounts are for the following audit and investigative projects:

Item (1)	1971 budget estimates (2)	House bill (3)	Senate bill (4)
(1)			
Audit of the National school lunch and other feeding programs.....	\$384, 000	\$210, 000	\$384, 000
(2)			
Audit of Agricultural Stabilization and Conservation Service.....	3, 940, 000	3, 646, 000	3, 940, 000
(3)			
Audit and investigation of food stamp program.....	3, 434, 000	3, 434, 000	¹ (3, 434, 000)
(4)			
Audit of the Federal-State cooperative meat and poultry inspection programs.....	119, 000	119, 000	119, 000
(5)			
Audit of Agricultural Research Service.....	256, 000	256, 000	256, 000
(6)			
Other items.....	7, 713, 000	7, 713, 000	7, 713, 000

¹ To be derived by transfer from the "Food stamp program."

PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

1970 new budget (obligational) authority.....	\$3, 354, 650
1971 budget estimate—New (obligational) authority.....	3, 748, 000
House bill—New (obligational) authority.....	3, 508, 650
Committee recommendatiton—New (obligatioanl) authority.....	3, 748, 000

The Packers and Stockyards Administration was established by Secretary's Memorandum No. 1616, supplement 1, of May 8, 1967. The Agency administers the Packers and Stockyards Act of 1921, as amended. The main objective of the act is to assist in the maintenance of free competitive practices in the marketing of livestock, meat, and poultry. It operates currently to suppress monopoly, fraud, or restraints on trade in the marketing of \$15 billion worth of livestock and nearly \$2 billion on live poultry, which represents approximately one-third of the cash income of U.S. farmers, and \$20 billion worth of meat and dressed poultry annually, which is about one-third of consumer expenditures for food in the United States.

The principal programs carried out in administering the act are:

(1) Investigation of packers meat merchandising and chainstore buying practices in order to maintain prices established by fair and competitive marketing practices and conditions;

(2) Investigation of livestock procurement methods by packers and dealers to assure that unfair trade practices detrimental to producers and the industry are not in use;

(3) Surveillance of marketing methods at public markets to foster and maintain effective competition;

(4) Investigation of complaints regarding poultry marketing practices to identify and correct those which are injurious to producers and ethical operators in the industry;

(5) To carry out weighing investigations to eliminate false and careless weighing to the maximum extent possible;

(6) Review custodial accounts to determine that shippers' proceeds are safeguarded and otherwise handled in conformance with existing regulations;

(7) Investigate financial condition of registrants and others subject to the act to determine that they are financially sound and capable of meeting their obligations, and require bonds of auction operators, commission firms, and dealers;

(8) To initiate a poultry-scale testing program and extend the livestock and monorail scale-testing efforts to assure accurate scale facilities;

(9) To study services and facilities at public markets to determine that they are adequate;

(10) Review rate proposals to determine that they are reasonable and commensurate with the services and facilities provided; and

(11) Investigate and provide for hearings and settlement of reparation complaints.

(12) Registration of dealers and market agencies and posting stock-yards.

The committee recommends an appropriation of \$3,748,000 for administration of the Packers and Stockyard Act. This amount is the full budget estimate, \$239,350 over the House bill and \$393,350 over the amount appropriated for 1970.

A summary showing increased program activities and comparative amounts follows:

Item	1970 appropriation	1971 budget estimates	1971 House bill	Senate committee recom- mendations
	(1)	(2)	(3)	(4)
Total, salaries and expenses.....	¹ \$3,354,650	\$3,748,000	\$3,508,650	\$3,748,000
(1) Livestock marketing practices:				
(a) Fair marketing practices and effective com- petition.....	967,100	1,115,850	1,011,500	1,115,850
(b) Accurate weights.....	193,200	267,100	202,100	267,100
(c) Financial protection.....	381,300	433,900	398,900	433,900
Subtotal.....	1,541,600	1,816,850	1,612,500	1,816,850
(2) Poultry marketing practices.....	267,000	314,300	279,300	314,300
(3) All other.....	1,546,050	1,616,850	1,616,850	1,616,850

¹ Excludes additional funds for increased pay costs.

OFFICE OF GENERAL COUNSEL

SALARIES AND EXPENSES

1970 new budget (obligational) authority-----	\$5, 229, 500
1971 budget estimate—New (obligational) authority-----	5, 657, 000
House bill—New (obligational) authority-----	5, 657, 000
Committee recommendation—New (obligational) authority-----	5, 657, 000

The General Counsel, as chief law officer of the Department, is responsible for providing legal services for all programs, operations and activities of the Department. He is assisted by a Deputy General Counsel and three Assistant General Counsels, each of whom is responsible for a portion of the legal work of the Department. The functions of this Office are carried out in the Washington office and in 20 field offices.

The field offices of the General Council handle much of the expanded legal work relating to the activities of the Agricultural Stabilization and Conservation Service, Farmers Home Administration, Federal Crop Insurance Corporation, Forest Service, and Soil Conservation Service, and other agencies of the Department.

An appropriation of \$5,657,000 is recommended for the coming fiscal year. This is the full budget estimate, an increase of \$427,500 over the 1970 appropriation, and the same amount as carried in the House bill. The entire increase over 1970 is for pay costs.

OFFICE OF INFORMATION

SALARIES AND EXPENSES

1970 new budget (obligational) authority-----	\$2, 106, 000
1971 budget estimate—New (obligational) authority-----	2, 256, 000
House bill—New (obligational) authority-----	2, 256, 000
Committee recommendation—New (obligational) authority-----	2, 256, 000

The Office of Information has general direction and supervision of all publications and other information policies and activities of the Department including the final review, illustrating, printing, and distribution of publications; clearance and release of press, radio, television, and magazine materials; maintenance of central files of news and general illustration-type photographs; and the preparation and distribution of exhibit and motion pictures. The Office publishes the Yearbook of Agriculture, the annual report of the Secretary of Agriculture, the Department directory, and the Department list of publications; handles the details of distributing farmers' bulletins allotted to Members of Congress; and services letter and telephone requests for general information received in the Department.

An appropriation of \$2,256,000 is recommended for fiscal year 1971. This is the full budget estimate, an increase of \$150,000 over the appropriation for 1970, and the same amount as recommended by the House. The increase over 1970 represents increased pay costs. The program in 1971 will continue at the 1970 level.

NATIONAL AGRICULTURAL LIBRARY

SALARIES AND EXPENSES

1970 new budget (obligational) authority-----	\$3, 226, 750
1971 budget estimate—New (obligational) authority-----	3, 914, 750
House bill—New (obligational) authority-----	3, 614, 750
Committee recommendation—New (obligational) authority-----	3, 914, 750

The National Agricultural Library makes available to the research workers of the Department and the State agricultural colleges, as well as to the general public, the agricultural knowledge of the world that is contained in published literature. This reduced duplication of effort and avoids diversion of valuable time of scientists and administrators by letting them know what has been done previously in their fields. The Library collects current and historical published material and organizes it for maximum service to the Department and to the public through reference services, loans of publications, bibliographical services, and photoreproductions of library material. The Library provides cataloging information to a commercial publisher for inclusion in the monthly National Agricultural Library Catalog, a listing of currently acquired titles.

An appropriation of \$3,914,750 is recommended for fiscal year 1971 for the operation of the National Agricultural Library. This amount is \$688,000 over the appropriation for 1970, \$300,000 over the amount included in the House bill, and the full amount of the budget estimate. The increased amounts recommended for the coming year are comprised of: (a) \$175,000 of the increase over 1970 is for pay costs; (b) \$300,000 for microfilming, preserving and cataloging the existing library collection of materials, and (c) \$200,000 is for the purchase of additional books and periodicals.

The committee concurs with the House action in not providing the \$800,000 requested for a new cafeteria which was to be located in the new Library building. It is expected that the need for and location of cafeteria facilities will be reviewed prior to resubmission in a future budget request.

OFFICE OF MANAGEMENT SERVICES

SALARIES AND EXPENSES

1970 new budget (obligational) authority-----	\$3, 025, 000
1971 budget estimate—New (obligational) authority-----	3, 518, 000
House bill—New (obligational) authority-----	3, 384, 000
Committee recommendation—New (obligational) authority-----	3, 459, 000

This Office was established pursuant to Secretary's Memorandum No. 1529, dated January 29, 1963, to consolidate the budget and management service functions for several staff offices and agencies of the Department of Agriculture.

An appropriation of \$3,459,000 is recommended for the coming fiscal year for the operations in the Office of Management Services. This

represents an increase of \$434,000 over the 1970 Appropriation Act; is \$59,000 under the budget estimate and \$75,000 over the amount carried in the House bill. In addition to pay costs, the increased amounts recommended for 1971 include \$79,000 for new accounting equipment, and a restoration of \$75,000 for the development of automatic accrual accounting systems and for management support activities.

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

1970 new budget (obligational) authority-----	\$4, 838, 000
1971 budget estimate—New (obligational) authority-----	6, 041, 000
House bill—New (obligational) authority-----	5, 559, 000
Committee recommendation—New (obligational) authority-----	6, 058, 000

This appropriation item is used to finance the expenses of the Office of the Secretary of Agriculture and his immediate staff, together with various staff offices, including the Office of Budget and Finance, Office of Plant and Operations, Office of Personnel, Office of Management Improvement, Office of Hearing Examiners, the judicial officer.

An appropriation of \$6,058,000 is recommended for the financing of the operations conducted under this appropriation item for fiscal 1971. The amount recommended is \$1,220,000 over the Appropriation Act for 1970; \$499,000 over the House bill and \$17,000 over the budget estimate. In addition to mandatory pay act costs, the Committee recommends \$230,000 for activities formerly conducted under the heading "Rural Community Development Service."

The Committee has restored \$269,000 for equal opportunity work as proposed in the budget estimate to this appropriation item rather than to derive it by transfer from the working capital fund as proposed in the House bill. The Committee also recommends the inclusion of \$73,000 increase for management improvement activities denied by the House but this amount should be derived from funds made available to the PPB staff since that was presumably one of the basic functions embodied in the responsibilities assigned to that group when it was established.

TITLE II—CREDIT AGENCIES

RURAL ELECTRIFICATION ADMINISTRATION

The Rural Electrification Administration was established by Executive Order 7037 of May 11, 1935, to make loans for extension of central station electric service to unserved rural people. It was continued by the Rural Electrification Act of May 20, 1936, and became part of the Department of Agriculture on July 1, 1939, under Reorganization Plan II. On October 28, 1949, Public Law 423 amended the act to authorize loans for furnishing and improving rural telephone service.

Electric and telephone construction loans are self-liquidating within a period not to exceed 35 years at 2 percent interest.

ELECTRIFICATION PROGRAM

LOAN AUTHORIZATION FOR ELECTRIFICATION LOANS

1970 new budget (obligational) authority to date-----	\$340,000,000
1971 budget estimates—New (obligational) authority-----	322,000,000
House bill—New (obligational) authority-----	322,000,000
Committee recommendation—new (obligational) authority-----	352,000,000

The Committee recommends new loan authorization of \$352,000,000 for fiscal 1971. This is an increase of \$30,000,000 over the House bill and the budget estimate and \$12,000,000 over the authorization provided in the Appropriation Act for 1970. The new authorization, together with the \$20,000,000 additional authorization approved last year (which was impounded by the Bureau of the Budget) and loan recisions will provide an electrification loan level in the coming fiscal year of \$375,000,000 instead of \$345,000,000 as requested in the budget.

In view of the large backlog of unserved loan applications, the Committee believes that a modest increase of \$30,000,000 is the additional minimum amount that should be made available during the coming fiscal year.

SUPPLEMENTAL FINANCING PROGRAM

The Committee commends the rural electric systems in their attempt to establish a financing organization to help alleviate the large financial needs of the rural electric systems for new capital financing from the Federal Government. The National Rural Utilities Cooperative Finance Corporation (CFC) was incorporated in the District of Columbia on April 10, 1969. The Committee understands that CFC now has 785 members in 44 states.

Historically, REA has granted loans since the program began in 1935 allowing deferment of the payment of principal on the loans for varying periods of time. In some cases the deferment period has been for one year, in some cases for two years, in some cases for three years, in some cases for five years, and in a few instances even longer.

The Committee believes that the CFC plan has the potential of diverting the growing need to increase the annual loan authorization and achieve a large measure of "self-financing" in future years. To be most effective the capitalization of the corporation must be accelerated.

The Committee expects the REA Administrator to assume an active role in cooperation with CFC in the accumulation of initial subscription of capital from CFC members for initial operations.

In addition to the subscription of capital from existing sources, and to meet the objectives set forth in the House Committee Report, a continuous flow of capital funds is essential to the orderly development of the CFC.

The Committee is of the opinion that the recommendation in the House Committee Report to defer principal repayments on outstanding loan contracts is not a feasible method of providing for an orderly flow of capital subscriptions to the CFC. The Committee recommends that beginning on July 1, 1970, that the REA Administrator grant up to a three-year deferment on principal installments on new REA loans—with the understanding that such deferred installments on principal will be invested by borrowers in the CFC.

Such regular investments in CFC when continued for several years and coupled with the open market sale of debentures, should then enable the REA Administrator and the CFC to make an orderly transition from complete reliance upon government financing to a greater reliance upon the sale of CFC debentures, except for the financing of systems where the input of 2 percent government loans may be essential to the maintenance of adequate electrical service at reasonable rates in low density population areas.

RURAL ELECTRIFICATION ADMINISTRATION

LOAN AUTHORIZATION FOR TELEPHONE LOANS

1970 new budget (obligational) authority-----	\$123,300,000
1971 budget estimate—New (obligational) authority-----	123,800,000
House bill—New (obligational) authority-----	123,800,000
Committee recommendation—New (obligational) authority-----	138,800,000

New loan authorization of \$138,800,000 is recommended for the Telephone Program for the coming fiscal year. This is \$15,000,000 over the budget estimate and the House bill, and \$15,500,000 over the authorization carried in the Appropriation Act for 1970. Here again, the Committee has attempted to provide a small additional authorization to meet the more pressing needs of the huge backlog of telephone loan applications. The additional authorization recommended herein there will provide a program level of \$140,000,000 for the coming fiscal year instead of \$125,000,000 as proposed in the budget and the House bill.

SALARIES AND EXPENSES

1970 new budget (obligational) authority-----	\$13,429,000
1971 budget estimate—New (obligational) authority-----	14,623,000
House bill—New (obligational) authority-----	14,613,000
Committee recommendation—New (obligation) authority-----	14,896,000

An appropriation of \$14,896,000 is recommended for the administrative expenses of the agency for the coming fiscal year. This is an increase of \$1,467,000 over the 1970 Appropriation Act, \$273,000 over the budget estimate, and \$283,000 over the House bill. In addition to mandatory pay costs, the estimate for 1971 included an increase of \$71,000 for conversion of electric accounting machine data equipment to more modern computer-based operation. This amount and the amount of the pay cost was approved in the House bill.

The Committee recommends an increase of \$283,000 over the budget estimate to enable the agency to provide essential services without further decrease in manpower as would be required for cost absorptions in the proposed budget. The retention of 19 man-years of employment should enable the agency to provide essential program services in its regular loan-making and servicing operations, and to provide staff assistance in cooperating with the CFC, which is expected to begin operations during fiscal 1971.

FARMERS HOME ADMINISTRATION

The Farmers Home Administration was established November 1, 1946, pursuant to the Farmers Home Administration Act of 1946.

The agency conducts a number of loan and grant programs authorized by various amendments to basic legislation.

DIRECT LOAN ACCOUNT

Items	New budget (obligational) authority enacted to date, fiscal year 1970	Budget estimates of new (obligational) authority, fiscal year 1971	New budget (obligational) authority rec- ommended in House bill	Senate committee recom- mendation
(1)	(2)	(3)	(4)	(5)
Direct loan account:				
Real estate loans.....	(\$83, 000, 000)	(\$45, 500, 000)	(\$83, 000, 000)	(\$83, 000, 000)
Operating loans.....	(275, 000, 000)	(275, 000, 000)	(275, 000, 000)	(275, 000, 000)
Soil conservation loans.....	(8, 700, 000)	(6, 400, 000)	(8, 700, 000)	(8, 700, 000)
Total, direct loan account.....	(366, 700, 000)	(326, 900, 000)	(366, 700, 000)	(366, 700, 000)

The direct loan account was established pursuant to the Consolidated Farmers Home Administration Act of 1961. In addition, collections on principal and interest on outstanding loans are deposited in the direct loan account and are available for principal and interest payments on borrowings from the Secretary of the Treasury. The funds in this account are available for making loans for farm ownership, for soil and water conservation facilities and systems, and for farm operating purposes.

The Committee recommends a total of \$366,700,000 of authorization from the Direct Loan Account for the coming fiscal year. This is the amount provided last year and the amount carried in the House bill and \$37,500,000 over the budget estimate for 1971.

For real estate loans, the amount recommended is \$83,000,000 of which \$78,000,000 is for soil and water loans. The budget had proposed to decrease soil and water loans from \$78,000,000 to \$40,000,000, but this was denied by the House and the recommendations of this committee. It is believed that due to the great demand for soil and water loans that the full amount provided a year ago should be included for the coming fiscal year. For farm operating loans, \$275,000,000 is provided as recommended in the budget, carried in the House bill, and provided for fiscal 1970. For soil conservation loans for watershed and resources conservation and development projects, the committee recommends \$8,700,000 as provided by the House and the amount carried last year in the Appropriation Act. The budget proposed to reduce this limitation to \$6,400,000 but the committee has concurred in the action of the House. If the additional limitation for this purpose is not needed, it should not be used in the coming year.

RURAL HOUSING INSURANCE FUND

1970 new budget (obligational) authority.....	\$30, 000, 000
1971 budget estimate—New (obligational) authority.....	19, 000, 000
House bill—New (obligational) authority.....	30, 000, 000
Committee recommendation—New (obligational) authority.....	19, 000, 000

The Housing and Urban Development Act of 1969 (Public Law 91-152) merged the Rural Housing Direct Loan Account into the Rural Housing Insurance Fund. The Committee recommends direct

loans in the amount of \$19,000,000 for the coming year as proposed in the budget instead of \$30,000,000 as recommended by the House and provided in the Appropriation Act for 1970. The Committee believes that the insured program for rural housing will be adequate for the coming year and that the \$19,000,000 for direct loans recommended will be sufficient to meet the needs in those situations where housing cannot be provided under insured loans.

REIMBURSEMENT FOR INTEREST

The committee recommends an appropriation of \$334,000 as requested in the budget and approved by the House for reimbursement for interest. For the difference in the fiscal 1969 on the rate of notes sold and the rate of notes made in succeeding years if needed, an appropriation will be made for this purpose. The appropriation for such purposes is provided as follows:

Section 521(c) of the Housing Act of 1949, as amended, authorizes reimbursement to the Rural Housing Insurance Fund by annual appropriation the amounts by which interest payments, made from the fund during each fiscal year, to investors in insured loans exceed the interest due from borrowers. The amount requested represents the actual payments made to investors in January of 1969 for those loans insured between August 1, 1968, (enactment of the Housing and Urban Development Act of 1968) and January 1, 1969. Amounts paid in January 1970 will be requested in the 1972 Budget in order to be reimbursed for the actual expenditures.

RURAL WATER AND WASTE DISPOSAL GRANTS

1970 new budget (obligational) authority-----	\$46, 000, 000
1971 budget estimate—New (obligational) authority-----	24, 000, 000
House bill—New (obligational) authority-----	100, 000, 000
Committee recommendation—New (obligational) authority-----	60, 000, 000

Section 306 of the Consolidated Farmers Home Administration Act of 1961, as amended by Public Law 89-240, approved October 7, 1965, provides an appropriation authority for grants for the preparation of comprehensive plans for the development of water or sewer systems. Grants made under this authority may not exceed \$15 million in any 1 fiscal year.

An appropriation of \$60,000,000 is recommended for rural water and waste disposal grants. This is \$40,000,000 under the amount carried in the House bill, an increase of \$36,000,000 above the 1971 estimate, and \$14,000,000 above the amount appropriated for 1970.

RURAL HOUSING FOR DOMESTIC FARM LABOR

1970 new budget (obligational) authority-----	\$2, 500, 000
1971 budget estimate—New (obligational) authority-----	2, 500, 000
House bill—New (obligational) authority-----	2, 500, 000
Committee recommendation—New (obligational) authority-----	2, 500, 000

Financial assistance needed to provide low-rent housing and related facilities for domestic farm labor was authorized by section 516 of the Housing Act of 1949, as amended.

The grants provided stimulate the construction of farm labor housing to meet the needs of farm laborers who can afford to pay rents during the limited time that the housing is occupied in the production of seasonal crops. Income from such housing, which is only occupied sporadically, is insufficient to amortize the full cost of construction plus maintenance. Therefore, grants are necessary to assist in the financing of housing costs.

The Committee recommends \$2,500,000 for this program activity. This is the budget estimate and the same amount recommended by the House.

The amount recommended, combined with the estimated balances brought forward from fiscal 1970, will provide a total of \$3,761,450 in available funds for fiscal 1971.

MUTUAL AND SELF-HELP HOUSING

1970 new budget (obligational) authority-----	\$2, 125, 000
1971 budget estimate—New (obligational) authority-----	1, 250, 000
House bill—New (obligational) authority-----	2, 125, 000
Committee recommendation—New (obligational) authority-----	775, 000

This grant program was authorized by Public Law 90-448, approved August 1, 1968. Grants are made to local organizations to promote mutual or self-help housing programs. They will be used to pay the cost of construction supervisors who will work with families to guide them in the construction of their homes. Under self-help housing, usually from six to ten families work together, and through this mutual exchange of labor save from 20 to 25 percent of the cost of their homes. Some funds also will be used for administrative expenses of the organizations providing the self-help assistance.

An appropriation of \$775,000 is recommended for mutual and self-help housing. This amount is \$475,000 below the estimate and \$1,350,000 below the amount recommended by the House.

The Department now estimates that the carryover from fiscal 1970 into 1971 for this program will total \$1,925,000. This amount, together with an appropriation of \$775,000, will make \$2,700,000 available for fiscal 1971.

SELF-HELP HOUSING LAND DEVELOPMENT FUND

1970 new budget (obligational) authority-----	\$1, 000, 000
1971 budget estimate—New (obligational) authority-----	600, 000
House bill—New (obligational) authority-----	1, 000, 000
Committee recommendation—New (obligational) authority-----	400, 000

This establishment of this Fund was authorized by Public Law 90-448, approved August 1, 1968. It is a revolving fund for making loans to public or private nonprofit organizations for the acquisition and development of land as building sites to be subdivided and sold to eligible families, nonprofit organizations and cooperatives. Loans are made for a maximum of two years at three percent interest. The principal indebtedness of any organization is limited to \$100,000..

Loans may be made to qualified applicants for the purchase and development of adequate sites, including the construction of essential

access roads, streets, utility lines, and necessary equipment which becomes a permanent part of the development. If public water and sewer facilities are not available and cannot reasonably be provided on a community basis, funds may be included for this purpose.

The housing must be built by the self-help method (i.e., by the borrowers themselves rather than by commercial builders). Loans may include funds to provide for needed landscaping, planting, seeding or sodding or other necessary facilities related to buildings such as walks, parking areas, and driveways. Generally, a loan will not be made for the development of less than ten units, but they need not be contiguous.

An appropriation of \$400,000 is recommended for the self-help housing land development fund. The appropriation recommended is \$600,000 below the House bill, and \$200,000 under the budget estimate. The unobligated balance currently estimated by the Department to be carried forward is approximately \$1,400,000. This amount combined with the recommended appropriation of \$400,000 will provide \$1,800,000 for this program for fiscal 1971.

FARMERS HOME ADMINISTRATION

SALARIES AND EXPENSES

items	New budget (ob- ligational) authority enacted to date, fiscal year 1970	Budget estimates of new (ob- ligational) authority, fiscal year 1971	New budget (ob- ligational) authority recom- mended in House bill	Senate committee recom- mendation
(1)	(2)	(3)	(4)	(5)
Direct appropriations.....	66,250,000	85,091,000	81,150,000	84,250,000
Transfer from agricultural credit insurance fund..	(2,250,000)	(2,250,000)	(3,250,000)	(2,250,000)
Miscellaneous transfer.....	(500,000)	(500,000)	(500,000)	(500,000)
Total, salaries and expenses.....	(69,000,000)	(87,841,000)	(84,900,000)	(87,000,000)

The total appropriation, including transfers, recommended for 1971 is \$87,000,000. This represents an increase of \$18,000,000 above the 1970 appropriation, \$841,000 under the estimate, and \$2,100,000 above the amount carried in the House bill.

The Senate has stricken the language inserted by the House which would limit to \$250,000 the funds which would be used to administer the recently authorized program which provides for loans to Indian Tribes. Since this is a new program, administrative costs are difficult to estimate at this time, and such a limitation could have the effect of curtailing the program.

The Committee directs the Administrator to establish a State FHA office in Vermont. The servicing of loan applications through the Regional Office at Orono, Maine, has proved to be entirely unsatisfactory, and in some cases delays up to 6 weeks have been encountered by farmers seeking emergency assistance. The loan volume has increased to warrant the establishment of a regular State Office and the committee expects that this will be done at an early date.

TITLE III—CORPORATIONS

FEDERAL CROP INSURANCE CORPORATION

Salaries and expenses	Appropriation	Premium income	Totals
1970 new obligatory (budget) authority (to date).....	\$12,000,000	\$1,648,000	\$13,648,000
1971 estimate.....	12,000,000	2,335,000	14,335,000
House bill, 1971.....	12,000,000	2,335,000	14,335,000
Senate committee recommendation.....	12,000,000	2,335,000	14,335,000

The Federal Crop Insurance Corporation is a wholly-owned Government Corporation created February 16, 1938, (7 U.S.C. 1501) to carry out the Federal Crop Insurance Act. The purpose of this Act is to promote the national welfare by improving the economic stability of agriculture through a sound system of crop insurance and providing the means for research and experience helpful in devising and establishing such insurance.

Crop insurance offered to agricultural producers by the Corporation provides protection from losses caused by unavoidable natural hazards, such as insect and wildlife damage, plant diseases, fire, drought, flood, wind, and other weather conditions. It does not indemnify producers for losses resulting from negligence or failure to observe good farming practices.

A direct appropriation of \$12,000,000 and a transfer of premium income of \$2,335,000, for a total of \$14,335,000 recommended for fiscal 1971. This is the amount of the budget estimate and the amount carried in the House bill. The increase of \$687,000 over the amount appropriated a year ago is for pay costs.

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

1970 new budget (obligational) authority.....	¹ \$5,215,934,000
1971 budget estimate—New (obligational) authority.....	3,363,155,000
House bill—New (obligational) authority.....	3,113,155,000
Committee recommendation—New (obligational) authority....	3,363,155,000

¹ Includes 1,017,697,000 appropriated for liquidation of contract authority.

The Commodity Credit Corporation has an authorized capital stock of \$100 million held by the United States and authority to borrow up to \$14.5 billion.

Funds are borrowed from Treasury and may also be borrowed from private lending agencies. In connection with loan guarantees, the Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all borrowings from private sources. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury as required by the Act of March 8, 1938 (15 U.S.C. 713a-4).

Under Public Law 87-155 (15 U.S.C. 713a 11, 12), annual appropriations are authorized for each fiscal year, commencing with the fiscal year 1961. These appropriations are to reimburse the Corporation for net realized losses incurred as reflected in its accounts and shown in its reports of financial condition.

The committee recommends an appropriation of \$3,363,155,000 to reimburse the capital impairment of the Commodity Credit Corporation for the balance of the loss incurred in fiscal year 1968 in the

amount of \$249,998,669, and the full loss incurred in fiscal 1969 amounting to \$3,113,156,169.

The amount recommended is \$1,852,779,000 below the 1970 appropriation; \$250,000,000 above the House amount, and the amount of the budget estimate. This will reimburse the Corporation for all actual losses through June 30, 1969, and provide an estimated balance of borrowing authority at the end of 1971 of \$2,143 million.

The appropriation recommended fully restores the unreimbursed losses of the Corporation as intended by Public Law 87-155. If the committee is able to sustain its recommendations in conference with the House, this will represent the first time in several years that the financial structure of the Commodity Credit Corporation has been placed on a current basis as provided by law. It is hoped that the future budgets and appropriations for this item will be maintained on a current basis as recommended by the committee in the accompanying bill.

LIMITATION ON ADMINISTRATION EXPENSES

1970 new budget (obligational) authority-----	\$32, 000, 000
1971 budget estimate—New (obligational) authority-----	36, 500, 000
House bill—New (obligational) authority-----	36, 500, 000
Committee recommendation—New (obligational) authority-----	36, 500, 000

The Commodity Credit Corporation engages in buying, selling, lending, and other activities with respect to agricultural commodities, their products, food, feeds, and fibers. Its purposes include stabilizing, supporting, and protecting farm income and prices; assisting in the maintenance of balance and adequate supplies of such commodities; and facilitating their orderly distribution. The Corporation also makes available materials and facilities required in connection with the production and marketing of such commodities.

The Corporation has an authorized capital stock of \$100 million held by the United States and authority to borrow up to \$14.5 billion. Funds are borrowed from the Federal Treasury and may also be borrowed from private lending agencies. In connection with loan guarantees, the Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all notes and other obligations evidencing loans made by lending agencies or certificates of interest issued in connection with the financing of price-support operations. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury as required by the act of March 8, 1938 (15 U.S.C. 713a-4).

An administrative expense limitation of \$36,500,000 is recommended for the Commodity Credit Corporation. This is the amount of the budget estimate, the same amount carried in the House bill; and \$4,106,000 over the adjusted limitation for fiscal 1970.

These increases reflect an enlarged transfer to the Export Marketing Service of \$276,000, which will make a total transfer of \$3,719,000 available to finance their functions during 1971, and an increased transfer to Expenses, Agricultural Stabilization and Conservation Service in the amount of \$3,821,000.

The committee expects that in the preparation of the budget for fiscal 1972 the financing of the Export Marketing Service, which heretofore has been carried as a part of the "Limitation on Administrative Expenses," will be submitted in the budget for a direct appropriation.

PUBLIC LAW 480

FOREIGN ASSISTANCE PROGRAMS AND SPECIAL EXPORT PROGRAMS

The facilities and the funds of the Commodity Credit Corporation are authorized to be used for the costs of carrying out programs under the authorization of Public Law 480 and a number of other programs. Appropriations are made to enable the Corporation to meet estimated costs and whenever the appropriations are less than costs during the fiscal year, the Corporation funds are temporarily used to bear such costs until subsequent appropriations are made.

Titles	1970 new budget (obligational) authority	1971 estimates new budget (obligational) authority	House bill, 1971	Senate Committee, 1971
Title I: Sales of agricultural commodities.....	\$420,000,000	\$526,100,000	\$411,100,000	\$411,100,000
Title II: Donations abroad.....	500,000,000	406,400,000	291,400,000	291,400,000
Total, Public Law 480.....	920,000,000	932,500,000	702,500,000	702,500,000

The committee recommends a total appropriation of \$702,500,000 for financing the expenses of Titles I and II of Public Law 480, as amended, for the coming fiscal year.

This is \$230,000,000 under the budget estimate, the amount approved in the House bill, and \$217,500,000 under the 1970 Appropriation Act.

The existing authorization for Public Law 480 expires on December 31, 1970. The Committee strongly supports the continuation of programs authorized, but, due to the press of business in the Senate, the extension of the Authorization Act has been delayed up to this time. When a new authorization for Public Law 480 is enacted, the Committee recommends that if supplemental funding is needed for the balance of fiscal 1971 that such supplemental estimates will be considered by the Committee, either in the clean-up supplemental bill at this session of Congress or early next year. The action of the Committee in no way limits the effectiveness of the program since under basic law the Department is authorized to use CCC funds to enter into agreements with the understanding that such expenditures will be reimbursed later by appropriations under this heading.

BARTERED MATERIAL FOR SUPPLEMENTAL STOCKPILE

Under Title II of the Agricultural Act of 1956, the Corporation is authorized to transfer strategic and other materials to the supplemental stockpile. The materials acquired under this program are from barter and exchange of farm products. The program does not contain materials acquired from the national stockpile and for other purposes.

1970 new budget (obligational).....	\$1,250,000
1971 budget estimates of new (obligational) authority.....	25,000
House bill—New (obligational) authority.....	25,000
Committee recommendation—New (obligational) authority.....	25,000

An appropriation of \$25,000 is recommended for bartered material for supplemental stockpile. This amount is the budget estimate; the amount carried in the House bill; and \$1,225,000 below the 1970 appropriation. This will liquidate all outstanding contracts made under this program.

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

1970 new budget (obligational) authority-----	(\$3, 839, 000)
1971 budget estimate—New (obligational) authority-----	(4, 226, 000)
House bill—New (obligational) authority-----	(4, 054, 000)
Committee recommendation—New (obligational) authority-----	(4, 226, 000)

The Administration supervises, examines and provides facilities and services to a coordinated system of Farm Credit banks and associations making loans to farmers and their cooperatives. A fundamental principle of supervision is the encouragement and development of agricultural cooperative agencies, rendering constructive credit service to farmers at minimum cost and with complete farmer ownership an ultimate objective of the agencies supervised. Services and facilities furnished by the Administration facilitate the operations of the banks and associations under its supervision and their progress toward farmer ownership. Typical services are: custody of collateral for bonds and debentures, assistance in financing and investments, credit analysis, development of land appraisal standards and policies, preparation of reports and budgets, and preparation and distribution of information on farm credit. All expenses of these activities are paid by assessments collected from the banks and associations of the Farm Credit System.

Since December 4, 1953, the Administration has been an independent agency under the direction of a Federal Farm Credit Board (12 U.S.C. 636b). The Administration, originally created by Executive Order No. 6084 on May 27, 1933, was transferred to the Department of Agriculture on July 1, 1939, by Reorganization Plan No. 1.

For "Limitation on Administrative Expenses" \$4,226,000 is recommended for expenses of the Farm Credit Administration for the coming fiscal year. This is an increase in the limitation of \$387,000 over fiscal 1970 and is the amount of the budget estimate and an increase of \$172,000 over the House bill. The increase of \$172,000 is to cover 1970 pay costs which were absorbed, for personnel compensation and related benefits, and for travel and other related expenses.

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—TRUST FUNDS

[Becomes available automatically under earlier, or "permanent," law without further, or annual, action by the Congress. Thus, these amounts are not included in the accompanying bill]

(1) Agency and item	(2) New budget (obligational) authority, 1970	(3) Budget estimate of new (obligational) authority, 1971	(4) Increase (+) or decrease (—)
Agricultural Research Service: Miscellaneous trust funds.....	\$1,072,000	\$1,059,000	—\$13,000
Farmer Cooperative Service: Miscellaneous contributed funds.....	48,000	87,000	+39,000
Soil Conservation Service: Miscellaneous contributed funds.....	1,800,000	2,682,000	+882,000
Economic Research Service: Miscellaneous contributed funds.....	22,000	22,000	-----
Statistical Reporting Service: Miscellaneous contributed funds.....	12,000	15,000	+3,000
Consumer and Marketing Service: Fees for inspection and grading.....	35,786,000	38,071,000	+2,285,000
Other agencies: Miscellaneous.....	5,000	5,000	-----
Cooperative work (trust fund).....	44,750,000	44,750,000	-----
Total permanent new budget (obligational) authority, trust funds.....	83,495,000	86,691,000	+3,196,000

Note.—Amounts are as estimated and shown in the February 1970 budget document. Being indefinite, the amounts are thus subject to later reestimation.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1970 AND THE BUDGET ESTIMATES FOR 1971

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—FEDERAL FUNDS

[Becomes available automatically under earlier, or "permanent," law without further, or annual, action by the Congress. Thus, these amounts are not included in the accompanying bill]

Agency and item (1)	New budget (obligational) authority, 1970 (2)	Budget estimate of new (obligational) authority, 1971 (3)	Increase (+) or decrease (—) (4)
Permanent appropriations:			
Agricultural Research Service: Animal quarantine station.....	\$426, 600	-----	--\$426, 600
Consumer and Marketing Service:			
Removal of surplus agricultural commodities (sec. 32).....	1 690, 826, 200	1 \$720, 256, 000	+29, 429, 800
Perishable Agricultural Commodities Act fund.....	980, 000	1, 050, 000	+70, 000
Total, Consumer and Marketing Service.....	691, 806, 200	721, 306, 000	+29, 499, 800
Agricultural Stabilization and Conservation Service: National Wool Act.....	67, 892, 514	58, 100, 000	-9, 792, 514
Farmers Home Administration: Sales insufficiencies.....	496, 000	-----	-496, 000
Total, permanent appropriations.....	760, 621, 314	779, 406, 000	+18, 784, 686
Contract authority: Commodity Credit Corporation: price support and related programs.....	760, 621, 314	440, 756, 000	+440, 756, 000
Total, permanent new budget (obligational) authority, Federal funds.....	760, 621, 314	1, 220, 162, 000	+459, 540, 686

¹ Includes transfers to other appropriation items as shown in later tables.

NOTE.—Amounts are as estimated and shown in the February, 1970 budget document. Being indefinite, the amounts are thus subject to later reestimation.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1970 AND BUDGET ESTIMATES
AND AMOUNTS RECOMMENDED IN THE BILL FOR 1971**

[Note.—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and title (1)	New budget (obligational) authority enacted to date, fiscal 1970 (2)	Budget estimates of new (obligational) authority, fiscal year 1971 (3)	New budget (obligational) authority recommended in House bill (4)	Amount recommended by Senate committee for 1971 (5)	Increase (+) or decrease (-), Senate bill compared with—		
					Appropriations or new budget (obligational) authority, fiscal year 1970 to date (6)	Budget estimates, 1971 (7)	House bill, 1971 (8)
TITLE I—GENERAL ACTIVITIES							
Agricultural Research Service:							
Salaries and expenses:							
Research:							
Direct appropriation.....							
Transfer from sec. 32.....							
Total, research.....							
Plant and animal disease and pest control.....							
Special fund (reappropriation).....							
Total, salaries and expenses.....							
Salaries and expenses (special foreign currency program).....							
Total, Agricultural Research Service.....							
Cooperative State Research Service: Payments and expenses.							
Extension Service:							
Payments to States and Puerto Rico.....							

recruitment and employees' compensation for extension agents.....	10,240,000	13,515,000	13,515,000	12,932,000	+2,682,600	-582,400
Penalty mail.....	3,400,000	3,617,000	3,617,000	3,617,000	+217,000	-----
Federal Extension Service.....	3,838,000	4,228,000	4,188,000	4,188,000	+350,000	-----
Total, Extension Service.....	131,484,000	171,791,000	161,351,000	171,168,600	+39,684,600	+9,817,600
Farmer Cooperative Service: Salaries and expenses.....	1,500,000	1,689,000	1,649,000	1,684,000	+184,000	+35,000
Soil Conservation Service:						
Conservation operations.....	118,786,000	128,467,000	128,557,000	128,457,000	+9,671,000	-10,000
River basin surveys and investigations.....	8,187,000	9,043,000	9,043,000	9,043,000	+856,000	-----
Watershed planning.....	6,209,000	5,434,000	6,698,000	5,434,000	-775,000	-1,264,000
Watershed works of improvement.....	63,873,000	74,278,000	74,278,000	76,000,000	+12,127,000	+1,722,000
Flood prevention.....	23,923,000	21,037,000	21,037,000	21,037,000	-2,886,000	-----
Great Plains conservation program.....	15,000,000	15,355,000	15,355,000	16,355,000	+1,355,000	+1,000,000
Resource conservation and development.....	10,252,000	13,876,000	13,876,000	14,676,000	+4,424,000	+800,000
Total, Soil Conservation Service.....	246,230,000	267,490,000	268,844,000	271,002,000	+24,772,000	+2,158,000
Economic Research Service: Salaries and expenses.....	13,450,000	16,228,000	14,592,000	16,228,000	+2,778,000	+1,636,000
Statistical Reporting Service: Salaries and expenses.....	15,412,800	17,749,800	17,716,800	17,874,800	+2,462,000	+158,000
Consumer and Marketing Service:						
Consumer protective, marketing, and regulatory programs.....	133,595,500	149,247,000	149,247,000	149,247,000	+15,651,500	-----
Payments to States and possessions.....	1,600,000	1,600,000	1,600,000	1,750,000	+150,000	+150,000
Total, Consumer and Marketing Service.....	135,195,500	150,847,000	150,847,000	150,997,000	+15,801,500	+150,000
Food and Nutrition Service:						
Special milk program.....	84,000,000	-----	104,000,000	104,000,000	+20,000,000	+104,000,000
Child Nutrition Programs:						
Direct appropriation.....	122,500,000	85,395,000	90,395,000	85,395,000	-37,105,000	-5,000,000
Transfer from sec. 32.....	(194,266,000)	(258,258,000)	(258,258,000)	(238,358,000)	(+44,092,000)	-----
Total, child nutrition programs.....	(316,766,000)	(323,753,000)	(328,753,000)	(323,753,000)	(+6,987,000)	(-5,000,000)

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1970 AND BUDGET ESTIMATES
AND AMOUNTS RECOMMENDED IN THE BILL FOR 1971—Continued**

[Note.—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and title	New budget (obligational) authority enacted to date, fiscal 1970	Budget estimates of new (obligational) authority, fiscal year 1971	New budget (obligational) authority recommended in House bill	Amount recommended by Senate committee for 1971	Increase (+) or decrease (-), Senate bill compared with—		
					Appropriations or new budget (obligational) authority, fiscal year 1970 to date	Budget estimates, 1971	House bill, 1971
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
TITLE I—GENERAL ACTIVITIES—Continued							
Food and Nutrition Service—Continued							
Food stamp program.....	\$610,000,000	\$1,250,000,000	\$1,250,000,000	\$1,250,000,000	+\$640,000,000		
Total, Food and Nutrition Service.....	816,500,000	1,335,395,000	1,444,395,000	1,439,395,000	+622,895,000	+\$104,000,000	—\$5,000,000
Foreign Agricultural Service:							
Salaries and expenses.....	23,437,000	24,773,000	24,023,000	24,773,000	+1,336,000		+750,000
Transfer from sec. 32.....	(3,117,000)	(3,117,000)	(3,117,000)	(3,117,000)			
Total, Foreign Agricultural Service.....	(26,554,000)	(27,890,000)	(27,140,000)	(27,890,000)	(+1,336,000)		(+750,000)
Commodity Exchange Authority: Salaries and expenses.....	2,321,000	2,552,000	2,552,000	2,552,000	+231,000		
Agricultural Stabilization and Conservation Service:							
Expenses, ASCS:							
Direct appropriation.....	146,000,000	135,466,000	152,690,000	150,000,000	+4,000,000	+14,534,000	—2,690,000
Transfer from CCC.....	(62,438,000)	(68,779,000)	(68,779,000)	(68,779,000)	(+6,296,000)		
Total, expenses, ASCS.....	(208,483,000)	(204,245,000)	(221,469,000)	(218,779,000)	(+10,296,000)	(+14,534,000)	(—2,690,000)
Sugar Act program.....	93,000,000	83,600,000	83,600,000	83,600,000	—9,400,000		

Agricultural conservation program:									
Advance authorization (contract authorization).....	195,500,000		195,500,000	190,000,000	-5,500,000	+190,000,000	-5,500,000		
Liquidation of contract authorization.....	(195,500,000)	(185,000,000)	(185,000,000)	(185,000,000)	(-10,500,000)				
Cropland adjustment program.....	78,600,000	77,800,000	77,800,000	77,800,000	-800,000				
Conservation reserve program.....	37,250,000				-37,250,000				
Emergency conservation measures.....	5,000,000	5,000,000	5,000,000	5,000,000					
Indemnity payments to dairy farmers.....	200,000			500,000	+300,000	+500,000	+500,000		
Total, Agricultural Stabilization and Conservation Service.....	555,550,000	301,866,000	514,590,000	506,900,000	-48,650,000	+205,034,000	-7,690,000		
Rural Community Development Service: Salaries and expenses.....	450,000		230,000		-450,000		-230,000		
Office of the Inspector General: Salaries and expenses.....	13,657,000	15,846,000	15,378,000	112,412,000	-1,245,000	-3,434,000	-2,966,000		
Packers and Stockyards Administration: Salaries and expenses.....	3,354,650	3,748,000	3,508,650	3,748,000	+393,350		+239,350		
Office of the General Counsel: Salaries and expenses.....	5,229,500	5,657,000	5,657,000	5,657,000	+427,500				
Office of Information: Salaries and expenses.....	2,106,000	2,256,000	2,256,000	2,256,000	+150,000				
National Agricultural Library:									
Salaries and expenses.....	3,226,750	3,914,750	3,614,750	3,914,750	+688,000	-800,000	+300,000		
Library facilities.....		800,000							
Total National Agricultural Library.....	3,226,750	4,714,750	3,614,750	3,914,750	+688,000	-800,000	+300,000		
Office of Management Services: Salaries and expenses.....	3,025,000	3,518,000	3,384,000	3,459,000	+434,000	-59,000	+75,000		
General Administration: Salaries and expenses.....	4,838,000	6,041,000	5,559,000	6,058,000	+1,220,000	+17,000	+499,000		
Total, title I, general activities.....	2,269,089,150	2,649,897,500	2,954,986,150	2,971,621,100	+702,531,950	+321,723,600	+16,634,950		

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1970 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1971—Continued

[Note.—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and title	New budget (obligational) authority enacted to date, fiscal 1970	Budget estimates of new (obligational) authority, fiscal year 1971	New budget (obligational) authority recommended in House bill	Amount recommended by Senate committee for 1971	Increase (+) or decrease (—), Senate bill compared with—		
					Appropriations or new budget (obligational) authority, fiscal year 1970 to date	Budget estimates, 1971	House bill, 1971
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
TITLE II—CREDIT AGENCIES							
Rural Electrification Administration:							
Loan authorizations:							
Electrification.....	\$340,000,000	\$322,000,000	\$322,000,000	\$352,000,000	+\$12,000,000	+\$30,000,000	+\$30,000,000
Telephone.....	123,300,000	123,800,000	123,800,000	138,800,000	+15,500,000	+15,000,000	+15,000,000
Contingency reserve.....			20,000,000				—20,000,000
Total, loans (authorization to spend debt receipts).....	463,300,000	445,800,000	465,800,000	490,800,000	+27,500,000	+45,000,000	+25,000,000
Salaries and expenses.....	13,429,000	14,623,000	14,613,000	14,896,000	+1,467,000	+273,000	+283,000
Total, Rural Electrification Administration.....	476,729,000	460,423,000	480,413,000	505,696,000	+28,967,000	+45,273,000	+25,283,000
Farmers Home Administration:							
Direct loan account:							
Real estate loans.....	(83,000,000)	(45,500,000)	(83,000,000)	(83,000,000)		(+37,500,000)	
Operating loans.....	(275,000,000)	(275,000,000)	(275,000,000)	(275,000,000)			
Soil conservation loans.....	(8,700,000)	(6,400,000)	(8,700,000)	(8,700,000)		(+2,300,000)	
Total, direct loan account.....	(366,700,000)	(326,900,000)	(366,700,000)	(366,700,000)		(+39,800,000)	

Rural housing:

Insurance fund.....	(30,000,000)	(19,000,000)	(30,000,000)	(19,000,000)	(-11,000,000)	(-11,000,000)
Direct appropriation.....		334,000	334,000		+334,000	
Emergency credit revolving fund.....	31,918,000				-31,918,000	
Rural water and waste disposal grants.....	46,000,000	24,000,000	100,000,000	60,000,000	+14,000,000	+36,000,000
Rural housing for domestic farm labor.....	2,500,000	2,500,000	2,500,000	2,500,000		
Mutual and self-help housing.....	2,125,000	1,250,000	2,125,000	775,000	-1,350,000	-1,350,000
Self-help housing land development fund.....	1,000,000	600,000	1,000,000	400,000	-600,000	-600,000
Salaries and expenses:						
Direct appropriation.....	66,250,000	85,091,000	81,150,000	84,250,000	+18,000,000	-841,000
Transfer from agricultural credit insurance fund.....	(2,250,000)	(2,250,000)	(3,250,000)	(2,250,000)		
Miscellaneous transfer.....	(500,000)	(500,000)	(500,000)	(500,000)		
Total, salaries and expenses.....	(69,000,000)	(87,841,000)	(84,900,000)	(87,000,000)	(+18,000,000)	(-841,000)
Total, Farmers Home Administration.....	149,793,000	113,775,000	187,109,000	148,250,000	-1,534,000	+34,484,000
Total, title II, credit agencies.....	626,522,000	574,198,000	667,522,000	653,955,000	+27,433,000	+79,757,000
TITLE III—CORPORATIONS						
Federal Crop Insurance Corporation:						
Appropriation.....	12,000,000	12,000,000	12,000,000	12,000,000		
Premium income.....	(1,648,000)	(2,335,000)	(2,335,000)	(2,335,000)	(+687,000)	
Total, administrative and operating expenses.....	(13,648,000)	(14,335,000)	(14,335,000)	(14,335,000)	(+687,000)	
Subscription to capital stock.....	10,000,000				-10,000,000	
Commodity Credit Corporation: Reimbursement for net realized losses:						
Appropriation.....	4,198,237,000	3,363,155,000	3,113,155,000	3,363,155,000	-835,082,000	+250,000,000
Liquidation of contract authority.....	(1,017,697,000)				(-1,017,697,000)	
Total appropriation.....	(5,215,934,000)	(3,363,155,000)	(3,113,155,000)	(3,363,155,000)	(-1,852,779,000)	(+250,000,000)
Limitation on administrative expenses.....	(32,000,000)	(36,500,000)	(36,500,000)	(36,500,000)	(+4,500,000)	

See footnotes at end of table, p. 00.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1970 AND BUDGET ESTIMATES
AND AMOUNTS RECOMMENDED IN THE BILL FOR 1971—Continued**

[Note.—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and title (1)	New budget (obligational) authority enacted to date, fiscal 1970 (2)	Budget estimates of new (obligational) authority, fiscal year 1971 (3)	New budget (obligational) authority recommended in House bill (4)	Amount recommended by Senate committee for 1971 (5)	Increase (+) or decrease (-), Senate bill compared with—		
					Appropriations or new budget (obligational) authority, fiscal year 1970 to date (6)	Budget estimates, 1971 (7)	House bill, 1971 (8)
TITLE III—CORPORATIONS—Continued							
Public Law 480:							
Sales, title I.....	\$420,000,000	\$526,100,000	\$411,100,000	\$411,100,000	—\$8,900,000	—\$115,000,000	-----
Donations, title II.....	500,000,000	406,400,000	291,400,000	291,400,000	—208,600,000	—115,000,000	-----
Total, Public Law 480.....	920,000,000	932,500,000	702,500,000	702,500,000	—217,500,000	—230,000,000	-----
Bartered materials for supplemental stockpile.....	1,250,000	25,000	25,000	25,000	—1,225,000	-----	-----
Total, new budget (obligational) authority, title III, corporations.....	5,141,487,000	4,307,680,000	3,827,680,000	4,077,680,000	—1,063,807,000	—230,000,000	+ \$250,000,000
TITLE IV—RELATED AGENCIES							
Farm Credit Administration: Limitation on administrative expenses.....	(3,839,000)	(4,226,000)	(4,054,000)	(4,226,000)	(+387,000)	-----	(+172,000)
RECAPITULATION							
Title I—General activities.....	2,269,089,150	2,649,897,500	2,954,986,150	2,971,621,100	+702,531,950	+321,723,600	+16,634,950
Title II—Credit agencies.....	626,622,000	574,198,000	667,522,000	653,955,000	+27,433,000	+79,757,000	—13,567,000
Title III—Corporations.....	5,141,487,000	4,307,680,000	3,827,680,000	4,077,680,000	—1,063,807,000	—230,000,000	+250,000,000

Title IV—Related agencies.

Total, new budget (obligational) authority ¹.

Consisting of:

1. Appropriations

2. Reappropriations

3. Contract authorizations

4. Authorizations to spend from debt receipts

Memoranda:

1. Appropriations to liquidate contract authorizations

2. Appropriations, including appropriations to liquidate contract authority

3. Transfers from sec. 32

4. Transfer from CCC

Total, new budget (obligational) authority

Less: Loan repayments, Rural Electrification Administration ²

Net total, new budget (obligational) authority

	(3, 839, 000)	(4, 226, 000)	(4, 054, 000)	(4, 226, 000)	(+387, 000)	-----	(+172, 000)
8, 037, 098, 150	7, 531, 775, 500	7, 450, 188, 150	7, 703, 256, 100	-333, 842, 050	+171, 480, 600		+253, 067, 950
7, 376, 298, 150	7, 085, 975, 500	6, 788, 888, 150	7, 022, 456, 100	-353, 842, 050	-63, 519, 400		+233, 567, 950
2, 000, 000				-2, 000, 000			
195, 500, 000		195, 500, 000	190, 000, 000	-5, 500, 000	+190, 000, 000		-5, 500, 000
463, 300, 000	445, 800, 000	465, 800, 000	490, 800, 000	+27, 500, 000	+45, 000, 000		+25, 000, 000
1, 213, 197, 000	185, 000, 000	185, 000, 000	185, 000, 000	-1, 028, 197, 000			
8, 589, 495, 150	7, 270, 975, 500	6, 929, 888, 150	7, 207, 456, 100	-1, 382, 039, 050	-63, 519, 400		+277, 567, 950
212, 383, 000	256, 475, 000	256, 475, 000	256, 475, 000	+44, 092, 000			
62, 483, 000	68, 779, 000	68, 779, 000	68, 779, 000	+6, 296, 000			
8, 037, 098, 150	7, 531, 775, 500	7, 450, 188, 150	7, 703, 256, 100	-333, 842, 050	+171, 480, 600		+253, 067, 950
156, 600, 000	167, 300, 000	167, 300, 000	167, 300, 000	+10, 700, 000			
7, 880, 498, 150	7, 364, 475, 500	7, 282, 888, 150	7, 535, 956, 100	-344, 542, 050	+171, 480, 600		+253, 067, 950

¹ In addition, \$3,434,000 available by transfer from Food Stamp appropriation.² In addition \$690,756,000 of permanent indefinite contract authority (budget authority established under basic law). For fiscal year 1970 none is required.³ Note.—Does not include loan repayments under the Rural Electrification Administration estimated at \$189,500,000 in 1970 and \$189,300,000 in 1971 that are covered into miscellaneous receipts of the Treasury.

⁴ Deducting REA loan repayments from these totals has the effect of converting these figures to a basis comparable with the treatment of all other major loan programs in the Federal budget. Other loan programs operated through revolving funds net loan repayments against budget outlays, whereas REA loan repayments are covered into miscellaneous receipts of the Treasury.



Calendar No. 991

91ST CONGRESS
2^D SESSION

H. R. 17923

[Report No. 91-987]

IN THE SENATE OF THE UNITED STATES

JUNE 10, 1970

Read twice and referred to the Committee on Appropriations

JUNE 29, 1970

Reported by Mr. HOLLAND, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the Depart-
5 ment of Agriculture and related agencies for the fiscal
6 year ending June 30, 1971, and for other purposes; namely:

II

★(Star Print)

1 DEPARTMENT OF AGRICULTURE

2 TITLE I—GENERAL ACTIVITIES

3 AGRICULTURAL RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For expenses necessary to perform agricultural research
6 relating to production, utilization, marketing, nutrition and
7 consumer use, to control and eradicate pests and plant and
8 animal diseases, and to perform related inspection, quaran-
9 tine and regulatory work: *Provided*, That appropriations
10 hereunder shall be available for field employment pursuant
11 to the second sentence of section 706 (a) of the Organic Act
12 of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall
13 be available for employment under 5 U.S.C. 3109: *Provided*
14 *further*, That appropriations hereunder shall be available for
15 the operation and maintenance of aircraft and the purchase
16 of not to exceed two for replacement only: *Provided further*,
17 That appropriations hereunder shall be available pursuant to
18 7 U.S.C. 2250, for the construction, alteration, and repair
19 of buildings and improvements, but unless otherwise pro-
20 vided, the cost of constructing any one building (except
21 headhouses connecting greenhouses) shall not exceed \$25,-
22 000, except for six buildings to be constructed or improved
23 at a cost not to exceed \$55,000 each, and the cost of altering
24 any one building during the fiscal year shall not exceed
25 \$7,500 or 7.5 per centum of the cost of the building, which-
26 ever is greater: *Provided further*, That the limitations on

1 alterations contained in this Act shall not apply to a total of
2 \$100,000 for facilities at Beltsville, Maryland: *Provided*
3 *further*, That the limitations on construction contained in
4 this Act shall not apply to a total of \$350,000 for construc-
5 tion to a post-mortem and incinerator facility for animal
6 disease and parasite research:

7 Research: For research and demonstrations on the pro-
8 duction and utilization of agricultural products; agricultural
9 marketing and distribution, not otherwise provided for; home
10 economics or nutrition and consumer use of agricultural and
11 associated products; and related research and services; and
12 for acquisition of land by donation, exchange, or purchase at
13 a nominal cost not to exceed \$100; ~~\$146,143,200~~ *\$157,346,-*
14 *200*, and in addition not to exceed \$15,000,000 from funds
15 available under section 32 of the Act of August 24, 1935,
16 pursuant to Public Law 88-250 shall be transferred to and
17 merged with this appropriation; ~~except that \$1,000,000 of~~
18 ~~the foregoing amount shall be available for matching with~~
19 ~~funds utilized for research under public law 89-502, and of~~
20 ~~which \$1,500,000~~ *\$3,760,000* shall remain available until
21 expended for plans, construction, and improvement of facili-
22 ties without regard to limitations contained herein: *Provided*,
23 That the limitations contained herein shall not apply to
24 replacement of buildings needed to carry out the Act of
25 April 24, 1948 (21 U.S.C. 113a) : *Provided further*, That
26 none of the funds appropriated in this Act shall be used to

1 formulate a budget estimate for fiscal 1972 of more than
 2 \$15,000,000 for research to be financed by transfer from
 3 funds available under section 32 of the Act of August 24,
 4 1935, and pursuant to Public Law 88-250: *Provided fur-*
 5 *ther, That none of the funds appropriated in this Act shall*
 6 *be used to formulate a budget estimate for fiscal 1972 of less*
 7 *than the amount required to conduct the pesticides research*
 8 *program as authorized pursuant to Public Laws 88-573 and*
 9 *89-316;*

10 Plant and animal disease and pest control: For opera-
 11 tions and measures, not otherwise provided for, to control and
 12 eradicate pests and plant and animal diseases and for carry-
 13 ing out assigned inspection, quarantine, and regulatory ac-
 14 tivities, as authorized by law, including expenses pursuant to
 15 the Act of February 28, 1947, as amended (21 U.S.C.
 16 1114b-c), ~~\$98,619,750~~ \$99,369,750, of which ~~\$2,000,000~~
 17 \$1,500,000 shall be apportioned for use pursuant to section
 18 3679 of the Revised Statutes, as amended, for the control of
 19 outbreaks of insects, plant diseases and animal diseases to the
 20 extent necessary to meet emergency conditions: *Provided,*
 21 *That no funds shall be used to formulate or administer a*
 22 *brucellosis eradication program for the current fiscal year that*
 23 *does not require minimum matching by any State of at least*
 24 *40 per centum: Provided further, That, in addition, in emer-*
 25 *gencies which threaten the livestock or poultry industries of*
 26 *the country, the Secretary may transfer from other appropria-*

tions or funds available to the agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, and for expenses in accordance with the Act of February 28, 1947, as amended, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts;

Special fund: To provide for additional labor, subprofessional and junior scientific help to be employed under contracts and cooperative agreements to strengthen the work at research installations in the field, not more than \$2,000,000 of the amount appropriated under this head for the previous fiscal year may be used by the Administrator of the Agricultural Research Service in departmental research programs in the current fiscal year, the amount so used to be transferred to and merged with the appropriation otherwise available under "Salaries and expenses, Research".

**SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
PROGRAM)**

For payments, in foreign currencies owed to or owned by the United States for market development research authorized by section 104 (b) (1) and for agricultural and forestry

1 research and other functions related thereto authorized by
 2 section 104 (b) (3) of the Agricultural Trade Development
 3 and Assistance Act of 1954, as amended (7 U.S.C. 1704 (b)
 4 (1), (3)), \$5,000,000, to remain available until expended:
 5 *Provided*, That this appropriation shall be available, in addi-
 6 tion to other appropriations for these purposes, for payments
 7 in the foregoing currencies: *Provided further*, That funds ap-
 8 propriated herein shall be used for payments in such foreign
 9 currencies as the Department determines are needed and
 10 can be used most effectively to carry out the purposes of this
 11 paragraph: *Provided further*, That not to exceed \$25,000
 12 of this appropriation shall be available for payments in for-
 13 eign currencies for expenses of employment pursuant to the
 14 second sentence of section 706 (a) of the Organic Act of
 15 1944 (7 U.S.C. 2225), as amended by 5 U.S.C. 3109.

16 COOPERATIVE STATE RESEARCH SERVICE

17 PAYMENTS AND EXPENSES

18 For payments to agricultural experiment stations, for
 19 grants for cooperative forestry and other research, for facili-
 20 ties, and for other expenses, including ~~\$58,390,000~~ \$61,390,-
 21 000 to carry into effect the provisions of the Hatch Act, ap-
 22 proved March 2, 1887, as amended by the Act approved Au-
 23 gust 11, 1955 (7 U.S.C. 361a-361i), including administra-
 24 tion by the United States Department of Agriculture;
 25 ~~\$4,012,000~~ \$4,412,000 for grants for cooperative forestry

research under the Act approved October 10, 1962 (16 U.S.C. 582a—582a-7), ~~\$2,000,000~~ \$3,350,000, in addition to funds otherwise available for contracts and grants for scientific research under the Act of August 4, 1965 (7 U.S.C. 450i), of which \$1,000,000 shall be for the special cotton research program and \$400,000 for soybean research; \$160,000 for penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended; and \$514,000 for necessary expenses of the Cooperative State Research Service, including administration of payments to State agricultural experiment stations, funds for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 for employment under 5 U.S.C. 3109; in all, ~~\$65,076,000~~ \$69,826,000.

EXTENSION SERVICE

COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

Payments to States and Puerto Rico: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, and the Act of October 5, 1962 (7 U.S.C. 341–349), to be distributed under sections 3 (b) and 3 (c) of the Act, \$89,321,000; payments for the nutrition education program for low-income areas under section

1 3 (d) of the Act, \$48,560,000; *payments for rural develop-*
 2 *ment work under section 3(d) of the Act \$10,400,000; pay-*
 3 *ments and contracts for such work under section 204 (b) -*
 4 *205 of the Agricultural Marketing Act of 1946 (7 U.S.C.*
 5 *1623-1624), \$1,450,000; and payments for extension work*
 6 *under section 109 of the District of Columbia Public Edu-*
 7 *cation Act, as amended by the Act of June 20, 1968 (7*
 8 *U.S.C. 329), \$700,000; in all, ~~\$140,031,000~~ \$150,431,000:*
 9 *Provided, That funds hereby appropriated pursuant to sec-*
 10 *tion 3 (c) of the Act of June 26, 1953, shall not be paid to*
 11 *any State or Puerto Rico prior to availability of an equal sum*
 12 *from non-Federal sources for expenditure during the current*
 13 *fiscal year.*

14 Retirement and employees' compensation costs for ex-
 15 tension agents: For cost of employer's share of Federal
 16 retirement and for reimbursement for benefits paid from the
 17 Employees' Compensation Fund for cooperative extension
 18 employees, ~~\$13,515,000~~ \$12,932,600.

19 Penalty mail: For costs of penalty mail for cooperative
 20 extension agents and State extension directors, \$3,617,000.

21 Federal Extension Service: For administration of the
 22 Smith-Lever Act, as amended by the Act of June 26, 1953,
 23 the Act of August 11, 1955, and the Act of October 5,
 24 1962 (7 U.S.C. 341-349), and extension aspects of the
 25 Agricultural Marketing Act of 1946 (7 U.S.C. 1621-

1627), and of the District of Columbia Public Education Act, as amended by the Act of June 20, 1968 (7 U.S.C. 329), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, \$4,188,000.

FARMER COOPERATIVE SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the Act of July 2, 1926 (7 U.S.C. 451-457), and for conducting research relating to the economic and marketing aspects of farmer co-operatives, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), ~~\$1,649,000~~ \$1,684,000.

SOIL CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; purchase and erection or alteration

1 of permanent buildings; and operation and maintenance of
2 aircraft, ~~\$128,557,000~~ \$128,457,000, with which shall be
3 merged the unexpended balance of funds appropriated for
4 the previous fiscal year under this head: *Provided, That*
5 ~~Public Law 40, Eighty-fourth Congress, making appropria-~~
6 ~~tions for the Department of Agriculture and Farm Credit~~
7 ~~Administration for the fiscal year ending June 30, 1956, and~~
8 ~~for other purposes, is hereby amended by striking out the~~
9 ~~period following the last proviso in the section entitled "Flood~~
10 ~~Prevention", substituting a comma and adding the following:~~
11 ~~"and where the Army does have jurisdiction and responsi-~~
12 ~~bility, may enter into agreements with the Army to carry~~
13 ~~out jointly the measures heretofore set out and in areas where~~
14 ~~the Secretary is authorized to purchase land rights for struc-~~
15 ~~tural measures, the Secretary in lieu of such acquisition, may~~
16 ~~reimburse local organizations for such proportionate share of~~
17 ~~the cost of land rights furnished by local organizations as the~~
18 ~~Secretary deems equitable in consideration of the national~~
19 ~~interest.":~~ *Provided further, That* the cost of any permanent
20 building purchased, erected, or as improved, exclusive of
21 the cost of constructing a water supply or sanitary system
22 and connecting the same to any such building and with
23 the exception of buildings acquired in conjunction with
24 land being purchased for other purposes, shall not exceed
25 \$2,500, except for one building to be constructed at a

1 cost not to exceed \$25,000 and eight buildings to be con-
2 structed or improved at a cost not to exceed \$15,000 per
3 building and except that alterations or improvements to other
4 existing permanent buildings costing \$2,500 or more may be
5 made in any fiscal year in an amount not to exceed \$500 per
6 building: *Provided further*, That no part of this appropria-
7 tion shall be available for the construction of any such build-
8 ing on land not owned by the Government: *Provided further*,
9 That no part of this appropriation may be expended for soil
10 and water conservation operations under the Act of April 27,
11 1935 (16 U.S.C. 590a-590f) in demonstration projects:
12 *Provided further*, That this appropriation shall be available
13 for field employment pursuant to the second sentence of sec-
14 tion 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225),
15 and not to exceed \$5,000 shall be available for employment
16 under 5 U.S.C. 3109: *Provided further*, That qualified local
17 engineers may be temporarily employed at per diem rates to
18 perform the technical planning work of the service.

19 RIVER BASIN SURVEYS AND INVESTIGATIONS

20 For necessary expenses to conduct research, investiga-
21 tions and surveys of the watersheds of rivers and other water-
22 ways, in accordance with section 6 of the Watershed Pro-
23 tection and Flood Prevention Act, approved August 4, 1954,
24 as amended (16 U.S.C. 1006), to remain available until
25 expended; \$9,043,000, with which shall be merged the

1 unexpended balances of funds heretofore appropriated to the
2 Department for river basin survey purposes: *Provided*, That
3 this appropriation shall be available for field employment
4 pursuant to the second sentence of section 706 (a) of the
5 Organic Act of 1944 (7 U.S.C. 2225) . and not to exceed
6 \$60,000 shall be available for employment under 5 U.S.C.
7 3109.

8 WATERSHED PLANNING

9 For necessary expenses for small watershed investiga-
10 tions and planning, in accordance with the Watershed Pro-
11 tection and Flood Prevention Act, as amended (16 U.S.C.
12 1001-1008), to remain available until expended, ~~\$6,698,-~~
13 ~~000~~ \$5,434,000, with which shall be merged the unexpended
14 balances of funds heretofore appropriated under this head:
15 *Provided*, That this appropriation shall be available for field
16 employment pursuant to the second sentence of section
17 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225) , and
18 not to exceed \$50,000 shall be available for employment
19 under 5 U.S.C. 3109.

20 WATERSHED WORKS OF IMPROVEMENT

21 For necessary expenses to carry out preventive meas-
22 ures, including, but not limited to research, engineering
23 operations, methods of cultivation, the growing of vegeta-
24 tion, and changes in use of land, in accordance with the
25 Watershed Protection and Flood Prevention Act, approved

1 August 4, 1954, as amended (16 U.S.C. 1001–1005, 1007–
2 1008), and the provisions of the Act of April 27, 1935 (16
3 U.S.C. 590 a–f), to remain available until expended;
4 ~~\$74,278,000~~ \$76,000,000, with which shall be merged the
5 unexpended balances of funds heretofore appropriated or
6 transferred to the Department for watershed protection pur-
7 poses: *Provided*, That this appropriation shall be available
8 for field employment pursuant to the second sentence of sec-
9 tion 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225),
10 and not to exceed \$100,000 shall be available for employ-
11 ment under 5 U.S.C. 3109: *Provided further*, That
12 \$5,000,000 of the funds in the direct loan account of the
13 Farmers Home Administration shall be available until
14 expended for loans.

15 FLOOD PREVENTION

16 For necessary expenses, in accordance with the Flood
17 Control Act, approved June 22, 1936 (33 U.S.C. 701–709,
18 16 U.S.C. 1006a), as amended and supplemented, and in
19 accordance with the provisions of laws relating to the activi-
20 ties of the Department, to perform works of improvement,
21 including funds for field employment pursuant to the second
22 sentence of section 706 (a) of the Organic Act of 1944 (7
23 U.S.C. 2225), and not to exceed \$100,000 for employment
24 under 5 U.S.C. 3109, to remain available until expended;
25 \$21,037,000, with which shall be merged the unexpended

1 balances of funds heretofore appropriated or transferred to
 2 the Department for flood prevention purposes: *Provided*,
 3 That \$400,000 of funds in the direct loan account of the
 4 Farmers Home Administration shall be available until ex-
 5 pended for loans.

6 GREAT PLAINS CONSERVATION PROGRAM

7 For necessary expenses to carry into effect a program of
 8 conservation in the Great Plains area, pursuant to section
 9 16 (b) of the Soil Conservation and Domestic Allotment Act,
 10 as added by the Act of August 7, 1956 (16 U.S.C. 590p),
 11 ~~\$15,355,000~~ \$16,355,000, to remain available until ex-
 12 pended.

13 RESOURCE CONSERVATION AND DEVELOPMENT

14 For necessary expenses in planning and carrying out
 15 projects for resource conservation and development, and for
 16 sound land use, pursuant to the provisions of section 32 (e)
 17 of title III of the Bankhead-Jones Farm Tenant Act, as
 18 amended (7 U.S.C. 1011; 76 Stat. 607), and the provisions
 19 of the Act of April 27, 1935 (16 U.S.C. 590a-f), ~~\$13,876,-~~
 20 ~~000~~ \$14,676,000, to remain available until expended: *Pro-*
 21 *vided*, That \$3,300,000 of the funds available in the direct
 22 loan account of the Farmers Home Administration shall be
 23 available for loans under subtitle A of the Consolidated Farm-
 24 ers Home Administration Act of 1961, as amended (7
 25 U.S.C. 1922-1929), and section 32 (e) of title III of the

1 Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C.
2 1011 (e)), to remain available until expended: *Provided*
3 *further*, That this appropriation shall be available for field
4 employment pursuant to the second sentence of section 706
5 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not
6 to exceed \$50,000 shall be available for employment under 5
7 U.S.C. 3109.

8 ECONOMIC RESEARCH SERVICE

9 SALARIES AND EXPENSES

10 For necessary expenses of the Economic Research Serv-
11 ice in conducting economic research and service relating to
12 agricultural production, marketing, and distribution, as au-
13 thorized by the Agricultural Marketing Act of 1946 (7
14 U.S.C. 1621-1627), and other laws, including economics of
15 marketing; analyses relating to farm prices, income and popu-
16 lation, and demand for farm products, use of resources in agri-
17 culture, adjustments, costs and returns in farming, and farm
18 finance; and for analyses of supply and demand for farm
19 products in foreign countries and their effect on prospects
20 for United States exports, progress in economic development
21 and its relation to sales of farm products, assembly and analy-
22 sis of agricultural trade statistics and analysis of interna-
23 tional financial and monetary programs and policies as they
24 affect the competitive position of United States farm products;
25 ~~\$14,592,000~~ \$16,228,000: *Provided*, That not less than

1 \$350,000 of the funds contained in this appropriation shall
2 be available to continue to gather statistics and conduct a
3 special study on the price spread between the farmer and
4 consumer: *Provided further*, That this appropriation shall be
5 available for employment pursuant to the second sentence of
6 section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225),
7 and not to exceed \$75,000 shall be available for employment
8 under 5 U.S.C. 3109: *Provided further*, That not less than
9 \$145,000 of the funds contained in this appropriation shall be
10 available for analysis of statistics and related facts on foreign
11 production and full and complete information on methods
12 used by other countries to move farm commodities in world
13 trade on a competitive basis.

14 STATISTICAL REPORTING SERVICE

15 SALARIES AND EXPENSES

16 For necessary expenses of the Statistical Reporting Serv-
17 ice in conducting statistical reporting and service work, in-
18 cluding crop and livestock estimates, statistical coordination
19 and improvements, and marketing surveys, as authorized by
20 the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-
21 1627) and other laws, ~~\$17,716,800~~ \$17,874,800: *Provided*,
22 That no part of the funds herein appropriated shall be avail-
23 able for any expense incident to publishing estimates of apple
24 production for other than the commercial crop: *Provided*
25 *further*, That this appropriation shall be available for em-
26 ployment pursuant to the second sentence of section 706 (a)

1 of the Organic Act of 1944 (7 U.S.C. 2225), and not to
 2 exceed \$40,000 shall be available for employment under
 3 5 U.S.C. 3109.

4 CONSUMER AND MARKETING SERVICE

5 CONSUMER PROTECTIVE, MARKETING, AND REGULATORY 6 PROGRAMS

7 For expenses necessary to carry on services related to
 8 consumer protection, agricultural marketing and distribution,
 9 and regulatory programs, other than Packers and Stockyards
 10 Act, as authorized by law, and for administration and coordi-
 11 nation of payments to States; including field employment
 12 pursuant to section 706 (a) of the Organic Act of 1944 (7
 13 U.S.C. 2225), and not to exceed \$75,000 for employment
 14 under 5 U.S.C. 3109; \$149,247,000,—of which \$1,000,000
 15 shall be placed in reserve to be released only when required
 16 to carry out the Wholesome Meat Act: *Provided*, That
 17 this appropriation shall be available pursuant to law (7
 18 U.S.C. 2250) for the alteration and repair of buildings and
 19 improvements, but, unless otherwise provided, the cost of
 20 altering any one building during the fiscal year shall not
 21 exceed \$7,500 or 7.5 per centum of the cost of the building,
 22 whichever is greater.

23 PAYMENTS TO STATES AND POSSESSIONS

24 For payments to departments of agriculture, bureaus and
 25 departments of markets, and similar agencies for marketing

1 activities under section 204 (b) of the Agricultural Market-
2 ing Act of 1946 (7 U.S.C. 1623 (b)), ~~\$1,600,000~~ \$1,-
3 750,000.

4 REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES

5 (SECTION 32)

6 Funds available under section 32 of the Act of August
7 24, 1935 (7 U.S.C. 612c) shall be used only for commodity
8 program expenses as authorized therein, and other related
9 operating expenses, except for (1) transfers to the Depart-
10 ment of the Interior as authorized by the Fish and Wildlife
11 Act of August 8, 1956; (2) transfers otherwise provided in
12 this Act; (3) not more than \$3,084,000 for formulation and
13 administration of marketing agreements and orders pur-
14 suant to the Agricultural Marketing Agreement Act of
15 1937, as amended, and the Agricultural Act of 1961;
16 and (4) in addition to other amounts provided in this Act,
17 not more than \$186,058,000 (including not to exceed \$2,-
18 000,000 for State administrative expenses) for (a) child
19 feeding programs and nutritional programs authorized by
20 law in the School Lunch Act and the Child Nutrition Act,
21 as amended; and (b) additional direct distribution or other
22 programs, without regard to whether such area is under the
23 food stamp program or a system of direct distribution, to

1 provide, in the immediate vicinity of their place of per-
2 manent residence, either directly or through a State or
3 local welfare agency, an adequate diet to other needy chil-
4 dren and low-income persons determined by the Secretary of
5 Agriculture to be suffering, through no fault of their own,
6 from general and continued hunger resulting from insufficient
7 food.

8 FOOD AND NUTRITION SERVICE

9 SPECIAL MILK PROGRAM

10 For necessary expenses to carry out the provisions of
11 the Special Milk Program, as authorized by section 3 of
12 the Child Nutrition Act of 1966 (42 U.S.C. 1772), \$104,-
13 000,000: *Provided*, That this appropriation shall be avail-
14 able only within the limits of amounts authorized by law
15 for fiscal year 1971.

16 CHILD NUTRITION PROGRAMS

17 For necessary expenses to carry out the provisions of
18 the National School Lunch Act, as amended (42 U.S.C.
19 1751-1761) and the applicable provisions other than sec-
20 tion 3 of the Child Nutrition Act of 1966, as amended (42
21 U.S.C. 1773-1785), ~~\$264,428,000~~ \$259,428,000, of which
22 \$174,033,000 shall be derived by transfer from funds avail-
23 able under section 32 of the Act of August 24, 1935 (7

1 U.S.C. 612c) : *Provided*, That of the foregoing total amount
 2 there shall be available \$48,347,000 for special assistance
 3 to needy schools, \$12,000,000 for the school breakfast pro-
 4 gram, ~~\$17,500,000~~ \$12,500,000 for the nonfood assistance
 5 program, \$750,000 for State administrative expenses, and
 6 \$12,000,000 for special food service programs for children
 7 to remain available until September 30 of the next succeeding
 8 fiscal year: *Provided further*, That no part of this appropri-
 9 ation shall be used for nonfood assistance under section 5 of
 10 the National School Lunch Act, as amended: *Provided fur-*
 11 *ther*, That an additional \$64,325,000 shall be transferred to
 12 this appropriation from funds available under section 32 of
 13 the Act of August 24, 1935 (7 U.S.C. 612c), for purchase
 14 and distribution of agricultural commodities and other foods
 15 pursuant to section 6 of the National School Lunch Act, as
 16 amended: *Provided further*, That this appropriation shall be
 17 available for employment pursuant to the second sentence of
 18 section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225),
 19 and not to exceed \$75,000 shall be available for employment
 20 under 5 U.S.C. 3109.

21 FOOD STAMP PROGRAM

22 For necessary expenses of the food stamp program
 23 pursuant to the Food Stamp Act of 1964, as amended,
 24 \$1,250,000,000: *Provided*, That this appropriation shall
 25 be available only within the limits of amounts authorized
 26 by law for fiscal year 1971.

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$35,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), ~~\$24,023,000~~ \$24,773,000: *Provided*, That not less than \$255,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further*, That, in addition, not to exceed \$3,117,000 of the funds appropriated by section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c), shall be merged with this appropriation and shall be available for all expenses of the Foreign Agricultural Service.

COMMODITY EXCHANGE AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry into effect the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1-17b), \$2,552,000.

1 AGRICULTURAL STABILIZATION AND CONSERVATION
2 SERVICE

3 EXPENSES, AGRICULTURAL STABILIZATION AND
4 CONSERVATION SERVICE

5 For necessary administrative expenses of the Agricultural
6 Stabilization and Conservation Service, including expenses
7 to formulate and carry out programs authorized by title III
8 of the Agricultural Adjustment Act of 1938, as amended (7
9 U.S.C. 1301-1393) ; Sugar Act of 1948, as amended (7
10 U.S.C. 1101-1161) ; sections 7 to 15, 16 (a) , 16 (d) , 16 (e) ,
11 16 (f) , 16 (i) , and 17 of the Soil Conservation and Domestic
12 Allotment Act, as amended (16 U.S.C. 590g-590q) ; sub-
13 titles B and C of the Soil Bank Act (7 U.S.C. 1831-1837,
14 1802-1814, and 1816) ; and laws pertaining to the Com-
15 modity Credit Corporation, ~~\$152,690,000~~ \$150,000,000:
16 *Provided*, That, in addition, not to exceed \$68,779,000 may
17 be transferred to and merged with this appropriation from the
18 Commodity Credit Corporation fund (including not to ex-
19 ceed \$30,228,000 under the limitation on Commodity Credit
20 Corporation administrative expenses) : *Provided further*,
21 That other funds made available to the Agricultural Stabili-
22 zation and Conservative Service for authorized activities may
23 be advanced to and merged with this appropriation: *Provided*
24 *further*, That no part of the funds appropriated or made avail-
25 able under this Act shall be used (1) to influence the vote in

1 any referendum; (2) to influence agricultural legislation,
2 except as permitted in 18 U.S.C. 1913; or (3) for salaries
3 or other expenses of members of county and community
4 committees established pursuant to section 8 (b) of the Soil
5 Conservation and Domestic Allotment Act, as amended, for
6 engaging in any activities other than advisory and super-
7 visory duties and delegated program functions prescribed in
8 administrative regulations.

9 **SUGAR ACT PROGRAM**

10 For necessary expenses to carry into effect the pro-
11 visions of the Sugar Act of 1948 (7 U.S.C. 1011-1161),
12 \$83,600,000, to remain available until June 30 of the next
13 succeeding fiscal year.

14 **AGRICULTURAL CONSERVATION PROGRAM**

15 For necessary expenses to carry into effect the program
16 authorized in section 7 to 15, 16 (a) and 17 of the Soil Con-
17 servation and Domestic Allotment Act, approved February
18 29, 1936, as amended (16 U.S.C. 590g-590o, 590p (a),
19 and 590q), including not to exceed \$15,000 for the prepa-
20 ration and display of exhibits, including such displays at
21 State, interstate, and international fairs within the United
22 States, \$185,000,000, to remain available until December
23 31 of the next succeeding fiscal year for compliance with
24 the programs of soil-building and soil- and water-conserving
25 practices authorized under this head in the Department of

1 Agriculture and Related Agencies Appropriation Acts, 1969
2 and 1970, carried out during the period July 1, 1968, to
3 December 31, 1970, inclusive: *Provided*, That none of the
4 funds herein appropriated shall be used to pay the salaries
5 or expenses of any regional information employees or any
6 State information employees, but this shall not preclude the
7 answering of inquiries or supplying of information at the
8 county level to individual farmers: *Provided further*, That
9 no portion of the funds for the current year's program may be
10 utilized to provide financial or technical assistance for drain-
11 age on wetlands now designated as Wetland Types 3 (III),
12 4 (IV), and 5 (V) in United States Department of the In-
13 terior, Fish and Wildlife Circular 39, Wetlands of the United
14 States, 1956: *Provided further*, That necessary amounts
15 shall be available for administrative expenses in connection
16 with the formulation and administration of the 1971 pro-
17 gram of soil-building and soil- and water-conserving practices,
18 including related wildlife conserving practices and pollution
19 abatement practices, under the Act of February 29, 1936, as
20 amended (amounting to ~~\$195,500,000~~ \$190,000,000, ex-
21 cluding administration, except that no participant shall re-
22 ceive more than \$2,500, except where the participants from
23 two or more farms or ranches join to carry out approved
24 practices designed to conserve or improve the agricultural
25 resources of the community) : *Provided further*, That not to

1 exceed 5 per centum of the allocation for the current year's
2 agricultural conservation program for any county may, on the
3 recommendation of such county committee and approval of
4 the State committee, be withheld and allotted to the Soil Con-
5 servation Service for services of its technicians in formulating
6 and carrying out the agricultural conservation program in the
7 participating counties, and shall not be utilized by the Soil
8 Conservation Service for any purpose other than technical and
9 other assistance in such counties, and in addition, on the rec-
10 ommendation of such county committee and approval of the
11 State committee, not to exceed 1 per centum may be made
12 available to any other Federal, State, or local public agency
13 for the same purpose and under the same conditions: *Pro-*
14 *vided further*, That for the current year's program, \$2,500,-
15 000 shall be available for technical assistance in formulating
16 and carrying out agricultural conservation practices: *Pro-*
17 *vided further*, That such amounts shall be available for the
18 purchase of seeds, fertilizers, lime, trees, or any other farming
19 material, or any soil-terracing services, and making grants
20 thereof to agricultural producers to aid them in carrying out
21 farming practices approved by the Secretary under programs
22 provided for herein: *Provided further*, That no part of any
23 funds available to the Department, or any bureau, office, cor-
24 poration, or other agency constituting a part of such Depart-
25 ment, shall be used in the current fiscal year for the payment

1 of salary or travel expenses of any person who has been con-
2 victed of violating the Act entitled "An Act to prevent
3 pernicious political activities", approved August 2, 1939, as
4 amended, or who has been found in accordance with the pro-
5 visions of title 18, United States Code, section 1913, to have
6 violated or attempted to violate such section which prohibits
7 the use of Federal appropriations for the payment of personal
8 services or other expenses designed to influence in any man-
9 ner a Member of Congress to favor or oppose any legislation
10 or appropriation by Congress except upon request of any
11 Member or through the proper official channels.

12 CROPLAND ADJUSTMENT PROGRAM

13 For necessary expenses to carry into effect a cropland
14 adjustment program as authorized by the Food and Agri-
15 culture Act of 1965 (7 U.S.C. 1838), \$77,800,000.

16 EMERGENCY CONSERVATION MEASURES

17 For emergency conservation measures, to be used for
18 the same purposes and subject to the same conditions as
19 funds appropriated under this head in the Third Supple-
20 mental Appropriation Act, 1957, to remain available until
21 expended, \$5,000,000, with which shall be merged the
22 unexpended balances of funds heretofore appropriated for
23 emergency conservation measures.

24 INDEMNITY PAYMENTS TO DAIRY FARMERS

25 *For necessary expenses involved in making payments*
26 *to dairy farmers who have been directed to remove their milk*

1 *from commercial markets because it contained residues of*
 2 *chemicals registered and approved for use by the Federal*
 3 *Government, \$500,000: Provided, That none of the funds*
 4 *contained in this Act shall be used to make indemnity pay-*
 5 *ments to any farmer whose milk was removed from commercial*
 6 *markets as a result of his willful failure to follow procedures*
 7 *prescribed by the Federal Government.*

8 RURAL COMMUNITY DEVELOPMENT SERVICE

9 SALARIES AND EXPENSES

10 For necessary expenses, not otherwise provided for, of
 11 the Rural Community Development Service in providing
 12 leadership and related services in carrying out the rural areas
 13 development activities of the Department, \$230,000: *Pro-*
 14 *vided, That not to exceed \$3,000 shall be available for em-*
 15 *ployment under 5 U.S.C. 3109.*

16 OFFICE OF THE INSPECTOR GENERAL

17 SALARIES AND EXPENSES

18 For necessary expenses of the Office of the Inspector
 19 General, including employment pursuant to the second sen-
 20 tence of section 706 (a) of the Organic Act of 1944 (7
 21 U.S.C. 2225), and not to exceed \$10,000 for employment
 22 under 5 U.S.C. 3109, ~~\$15,378,000~~ \$12,412,000, and in
 23 addition, not less than \$3,434,000 shall be derived by trans-
 24 fer from appropriation, "Food Stamp Program" and merged
 25 with this appropriation.

1 PACKERS AND STOCKYARDS ADMINISTRATION

2 SALARIES AND EXPENSES

3 For expenses necessary for administration of the Pack-
4 ers and Stockyards Act, as authorized by law, including field
5 employment pursuant to section 706 (a) of the Organic Act
6 of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 for
7 employment under 5 U.S.C. 3109, ~~\$3,508,650~~ \$3,748,000.

8 OFFICE OF THE GENERAL COUNSEL

9 SALARIES AND EXPENSES

10 For necessary expenses, including payment of fees or
11 dues for the use of law libraries by attorneys in the field
12 service, \$5,657,000.

13 OFFICE OF INFORMATION

14 SALARIES AND EXPENSES

15 For necessary expenses of the Office of Information for
16 the dissemination of agricultural information and the co-
17 ordination of informational work and programs authorized
18 by Congress in the Department, \$2,256,000, of which
19 total appropriation not to exceed \$612,000 may be used
20 for farmers' bulletins, which shall be adapted to the in-
21 terests of the people of the different sections of the country,
22 an equal proportion of four-fifths of which shall be available
23 to be delivered to or sent out under the addressed franks
24 furnished by the Senators, Representatives, and Delegates

1 in Congress, as they shall direct (7 U.S.C. 417), and
2 not less than two hundred and thirty-two thousand two
3 hundred and fifty copies for the use of the Senate and House
4 of Representatives of part 2 of the annual report of the
5 Secretary (known as the Yearbook of Agriculture) as au-
6 thorized by section 73 of the Act of January 12, 1895 (44
7 U.S.C. 241) : *Provided*, That in the preparation of motion
8 pictures or exhibits by the Department, this appropriation
9 shall be available for employment pursuant to the second
10 sentence of section 706 (a) of the Organic Act of 1944 (7
11 U.S.C. 2225), and not to exceed \$10,000 shall be available
12 for employment under 5 U.S.C. 3109.

13 NATIONAL AGRICULTURAL LIBRARY

14 SALARIES AND EXPENSES

15 For necessary expenses of the National Agricultural
16 Library, ~~\$3,614,750~~ \$3,914,750 : *Provided*, That this appro-
17 priation shall be available for employment pursuant to the
18 second sentence of section 706 (a) of the Organic Act of
19 1944 (7 U.S.C. 2225), and not to exceed \$35,000 shall be
20 available for employment under 5 U.S.C. 3109 : *Provided*
21 *further*, That not to exceed \$100,000 shall be available pur-
22 suant to 7 U.S.C. 2250 for the alteration and repair of build-
23 ings and improvements.

OFFICE OF MANAGEMENT SERVICES

SALARIES AND EXPENSES

For necessary expenses to enable the Office of Management Services to provide management support services to selected agencies and offices of the Department of Agriculture, ~~\$3,384,000~~ \$3,459,000.

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of Agriculture and for general administration of the Department of Agriculture, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, and not to exceed \$5,000 for employment under 5 U.S.C. 3109, ~~\$5,559,000~~ \$6,058,000: *Provided*, That this appropriation shall be reimbursed from applicable appropriations for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558: *Provided further*, That not to exceed \$2,500 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: *Provided further*, That not to exceed \$269,000 of funds contained in the Working Capital Fund established under authority of Public Law 78-129 may be used to carry out responsibilities under the Civil Rights Act of 1964.

TITLE II—CREDIT AGENCIES

RURAL ELECTRIFICATION ADMINISTRATION

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-924), as follows:

LOAN AUTHORIZATION

For loans in accordance with said Act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said Act, and to remain available without fiscal year limitation in accordance with section 3 (e) of said Act, as follows: rural electrification program, ~~\$322,000,000~~ \$352,000,000, and rural telephone program, ~~\$123,800,000~~ \$138,800,000: *Provided*, That an additional \$20,000,000 is placed in contingency reserve to be made available by the Bureau of the Budget on the same terms and conditions to the extent that such amount is required during the current fiscal year under the then-existing conditions for expeditious and orderly development of the rural electrification and rural telephone programs.

SALARIES AND EXPENSES

For administrative expenses, including not to exceed \$500 for financial and credit reports, funds for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed

1 \$150,000 for employment under 5 U.S.C. 3109,
 2 ~~\$14,613,000~~ *\$14,896,000*.

3 FARMERS HOME ADMINISTRATION

4 DIRECT LOAN ACCOUNT

5 Direct loans and advances under subtitles A and B, and
 6 advances under section 335 (a) for which funds are not
 7 otherwise available, of the Consolidated Farmers Home Ad-
 8 ministration Act of 1961 (7 U.S.C. 1921) , as amended, may
 9 be made from funds available in the Farmers Home Ad-
 10 ministration direct loan account as follows: real estate loans,
 11 \$83,000,000, and operating loans, \$275,000,000.

12 RURAL HOUSING INSURANCE FUND

13 For direct loans and related advances pursuant to sec-
 14 tion 517 (m) of the Housing Act of 1949, as amended,
 15 ~~\$30,000,000~~ *\$19,000,000* shall be available from funds in
 16 the rural housing insurance fund. Hereafter, farmer appli-
 17 cants for direct or insured rural housing loans shall be re-
 18 quired to provide only such collateral security as is required
 19 of owners of nonfarm tracts.

20 For an additional amount for the rural housing insur-
 21 ance fund, as authorized by section 521 (c) of the Housing
 22 Act of 1949 (42 U.S.C. 1490a (c)) , \$334,000.

23 RURAL WATER AND WASTE DISPOSAL GRANTS

24 For grants pursuant to sections 306 (a) (2) and 306
 25 (a) (6) of the Consolidated Farmers Home Administra-

tion Act of 1961, as amended (7 U.S.C. 1926), ~~\$100,000,-~~
~~000~~ \$60,000,000.

RURAL HOUSING FOR DOMESTIC FARM LABOR

For financial assistance to public nonprofit organizations
 for housing for domestic farm labor, pursuant to section 516
 of the Housing Act of 1949, as amended (42 U.S.C. 1486),
 \$2,500,000, to remain available until expended.

MUTUAL AND SELF-HELP HOUSING

For grants pursuant to section 523 (b) (1) (A) of the
 Housing Act of 1949 (42 U.S.C. 1490c), ~~\$2,125,000~~
 \$775,000, to remain available until expended.

SELF-HELP HOUSING LAND DEVELOPMENT FUND

For direct loans pursuant to section 523 (b) (1) (B) of
 the Housing Act of 1949 (42 U.S.C. 1490c) and related
 advances, ~~\$1,000,000~~ \$400,000, to remain available until
 expended.

SALARIES AND EXPENSES

For necessary expenses of the Farmers Home Adminis-
 tration, not otherwise provided for, in administering the pro-
 grams authorized by the Consolidated Farmers Home Ad-
 ministration Act of 1961 (7 U.S.C. 1921-1991), as
 amended, title V of the Housing Act of 1949, as amended
 (42 U.S.C. 1471-1490c, 83 Stat. 399), the Rural Rehabili-
 tation Corporation Trust Liquidation Act, approved May 3,
 1950 (40 U.S.C. 440-444), and for carrying out the re-

1 sponsibilities of the Secretary of Agriculture under sections
 2 235 and 236 of the National Housing Act, as amended (12
 3 U.S.C. 1715z-1715z-1), and section 701 of the Housing
 4 Act of 1954, as amended (40 U.S.C. 461), ~~\$81,150,000~~
 5 ~~\$84,250,000~~, together with not more than ~~\$3,250,000~~
 6 ~~\$2,250,000~~ of the charges collected in connection with the
 7 insurance of loans as authorized by section 309 (e) of the
 8 Consolidated Farmers Home Administration Act of 1961, as
 9 amended, and sections 514 (b) (3) and 517 (i) of the Housing
 10 Act of 1949, as amended, ~~of which not more than \$250,000~~
 11 ~~shall be available for the administration of Public Law~~
 12 ~~91-229: Provided~~, That, in addition, not to exceed \$500,000
 13 of the funds available for the various programs administered
 14 by this agency may be transferred to this appropriation for
 15 temporary field employment pursuant to the second sen-
 16 tence of section 706 (a) of the Organic Act of 1944 (7
 17 U.S.C. 2225) to meet unusual or heavy workload increases:
 18 *Provided further*, That no part of any funds in this para-
 19 graph may be used to administer a program which makes
 20 rural housing grants pursuant to section 504 of the Housing
 21 Act of 1949, as amended.

22 TITLE III—CORPORATIONS

23 The following corporations and agencies are hereby
 24 authorized to make such expenditures, within the limits of
 25 funds and borrowing authority available to each such corpora-

tion or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided:

FEDERAL CROP INSURANCE CORPORATION

ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expenses, \$12,000,000.

FEDERAL CROP INSURANCE CORPORATION FUND

Not to exceed \$2,335,000 of administrative and operating expenses may be paid from premium income.

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

To reimburse the Commodity Credit Corporation for net realized losses sustained in prior years but not previously reimbursed, pursuant to the Act of August 17, 1961 (15 U.S.C. 713a-11, 713a-12), in the following amounts: fiscal year 1968, \$249,998,669; fiscal year 1969, ~~\$2,863,-~~
~~156,331~~ \$3,113,156,331; in total, ~~\$3,113,155,000~~ \$3,363,-
 155,000: *Provided*, That no funds appropriated by this Act shall be used to formulate or administer programs for the sale of agricultural commodities pursuant to title I of Public

1 Law 480, 83d Congress, as amended to any nation which
2 sells or furnishes or which permits ships or aircraft under its
3 registry to transport to North Vietnam any equipment, mate-
4 rials or commodities, so long as North Vietnam is governed
5 by a Communist regime.

6 LIMITATION ON ADMINISTRATIVE EXPENSES

7 Not to exceed \$36,500,000 shall be available for admin-
8 istrative expenses of the Commodity Credit Corporation:
9 *Provided*, That \$945,000 of this authorization shall be avail-
10 able only to expand and strengthen the sales program
11 of the Corporation pursuant to authority contained in the
12 Corporation's charter: *Provided further*, That not less than
13 7 per centum of this authorization shall be placed in reserve
14 to be apportioned pursuant to section 3679 of the Revised
15 Statutes, as amended, for use only in such amounts and at
16 such times as may become necessary to carry out program
17 operations: *Provided further*, That all necessary expenses
18 (including legal and special services performed on a con-
19 tract or fee basis, but not including other personal services)
20 in connection with the acquisition, operation, maintenance,
21 improvement, or disposition of any real or personal property
22 belonging to the Corporation or in which it has an interest,
23 including expenses of collections of pledged collateral, shall
24 be considered as nonadministrative expenses for the purposes
25 hereof.

PUBLIC LAW 480

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1701-1710, 1721-1725, 1731-1736d), to remain available until expended, as follows: (1) sale of agricultural commodities for foreign currencies and for dollars on credit terms pursuant to title I of said Act, \$411,100,000; and (2) commodities supplied in connection with dispositions abroad, pursuant to title II of said Act, \$291,400,000.

BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

For unrecovered prior years' costs related to strategic and other materials acquired as a result of barter or exchange of agricultural commodities or products and transferred to the supplemental stockpile pursuant to the Act of May 28, 1956, as amended (7 U.S.C. 1856), \$25,000, to remain available until expended.

TITLE IV—RELATED AGENCIES

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed ~~\$4,054,000~~ \$4,226,000 (from assessments collected from farm credit agencies) shall be obligated during the current fiscal year for administrative expenses, including the hire of one passenger motor vehicle.

1 TITLE V—GENERAL PROVISIONS

2 SEC. 501. Within the unit limit of cost fixed by law,
3 appropriations and authorizations made for the Department
4 under this Act shall be available for the purchase, in addition
5 to those specifically provided for, of not to exceed six hun-
6 dred and sixty-two (662) passenger motor vehicles, of
7 which four hundred and fifty-six (456) shall be for replace-
8 ment only, and for the hire of such vehicles.

9 SEC. 502. Provisions of law prohibiting or restricting
10 the employment of aliens shall not apply to employment
11 under the appropriation for the Foreign Agricultural Service.

12 SEC. 503. Funds available to the Department of Agricul-
13 ture shall be available for uniforms or allowances therefor
14 as authorized by law (5 U.S.C. 5901–5902).

15 SEC. 504. No part of the funds appropriated by this Act
16 shall be used for the payment of any officer or employee of
17 the Department who, as such officer or employee, or on
18 behalf of the Department or any division, commission, or
19 bureau thereof, issues, or causes to be issued, any prediction,
20 oral or written, or forecast, except as to damage threatened
21 or caused by insects and pests, with respect to future prices
22 of cotton or the trend of same.

23 SEC. 505. Except to provide materials required in or
24 incident to research or experimental work where no suitable
25 domestic product is available, no part of the funds appro-

1 priated by this Act shall be expended in the purchase of
2 twine manufactured from commodities or materials produced
3 outside of the United States.

4 SEC. 506. Not less than \$1,500,000 of the appropriations
5 of the Department for research and service work authorized
6 by the Acts of August 14, 1946, July 28, 1954, and Sep-
7 tember 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C.
8 1891-1893), shall be available for contracting in accordance
9 with said Acts.

10 SEC. 507. No part of any appropriation contained in this
11 Act shall remain available for obligation beyond the current
12 fiscal year unless expressly so provided herein.

13 This Act may be cited as the "Department of Agricul-
14 ture and Related Agencies Appropriation Act, 1971".

Passed the House of Representatives June 9, 1970.

Attest:

W. PAT JENNINGS,

Clerk.

[Report No. 91-987]

AN ACT

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes.

JUNE 10, 1970

Read twice and referred to the Committee on Appropriations

JUNE 29, 1970

Reported with amendments

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of July 8, 1970
91st-2nd; No.114

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HIGHLIGHTS: Senate began consideration of agricultural appropriations bill.
House committee reported bill extending boundaries of Toiyabe National Forest.
House committee voted to report the following bills: allowing FS to contract for aerial facilities; permitting marketing agreements for advertising of Hawaiian papayas; proposed Wheat Research and Promotion Act.

SENATE

1. APPROPRIATIONS. Action began on HR 17923, agricultural appropriations bill for FY 1971, adopting all committee amendments en bloc and accepting the following amendments:

Holland amendments to increase funds for the School Lunch and School Breakfast programs;

Smith of Ill. amendment to limit farm supports to \$20,000 per producer;

Goodell amendment increasing funds for FHA direct real estate loans in smaller communities;

Goodell amendment increasing funds for FHA rural water and waste disposal grants in smaller communities; and

McGovern amendment No. 763, modified, increasing funds for the Food Stamp program.

Rejected: Moss amendment barring price support funds for tobacco.
pp. S10785-98; 10803-69

Committee on Appropriations voted to report with amendments, H.R. 16915, fiscal 1971 appropriations for the Legislative Branch (Rept. No. 91-1009). p. S-10742

2. RIVER BASIN. Committee on Interior and Insular Affairs filed report on S. 2808, to authorize Minot extension, Missouri River Basin project, N. Dak. (Rept. No. 91-1005). p. S10742
3. LEGISLATION. Sen. Mansfield reviewed legislative accomplishments of the Senate during this 2nd session, noting the heaviest voting pace since 1964.
pp. S10774-85

HOUSE

4. AGRICULTURE COMMITTEE ACTION. Voted to report (but did not actually report) the following bills:
HR 11953, allowing FS to contract for aerial facilities;
S. 2484, authorizing marketing agreements providing for the advertising of Hawaiian papayas;
HR 13543, amended, proposed Wheat Research and Promotion Act. p. D733
5. INTERIOR COMMITTEE ACTION. Voted to report (but did not actually report) the following bills:
HR 13125, amended, relating to the exchange of lands;
HR 12870, amended, establishing the King Range National Conservation Area. p.D733
Reported with amendment S. 3279, extending the boundaries of Toiyabe National Forest (H. Rept. No. 91-1284). p. H6505
6. INDIANS. Both Houses received a Presidential message embodying recommendations and legislative proposals designed to strengthen the degree of self-determination of the American Indian (H. Doc. 91-363); to the Committees on Interior and Insular Affairs. pp. H6438-42, S10799-803

National Traffic and Motor Vehicle Safety Act amendments: Authorized appropriations of \$23 million for fiscal year 1970 and \$40 million for each of fiscal years 1971 and 1972; broadened the definition of "motor vehicle equipment" to include related automotive safety devices used exclusively to safeguard motor vehicles and passengers, and other highway users from risk of accident, injury or death; provided that the Secretary of Transportation obtain information relating to agricultural tractor safety and report findings and recommendations thereon to Congress; and amended the act in several other respects. Public Law 91-265.

Political broadcasting: Amends section 315 of the Communications Act of 1934, as amended, to repeal the equal-time broadcasting requirement relative to presidential and vice-presidential candidates; limits the charges for use of broadcasting stations by candidates for public office to no more than the station's lowest unit charge for the same amount of time; and places a ceiling of \$20,000 on the amount candidates for Federal elective office, or others on their behalf, may spend on electronic media in a general election. S. 3637. P/S 4/15/70.

Public Broadcasting Financing Act of 1970: Amends the Communications Act of 1934 to authorize annual appropriations of such sums as may be necessary for fiscal years 1971, 1972 and 1973 for the continued financing of the Corporation for Public Broadcasting, and to direct the Federal Communications Commission to prescribe regulations for broadcast stations receiving assistance under Title II of the Public Broadcasting Act. S. 3558. P/S 5/19/70. H.R. 17982. H. Cal.

Rail Passenger Service Act of 1970: Establishes a National Rail Passenger Corporation to provide for the operation of passenger trains, to commence service on March 1, 1971, and authorizes for fiscal year 1971 appropriations of \$40 million to the corporation, as well as guarantee of \$60 million in 20-year loans to the corporation to finance the upgrading of roadbeds and the purchase and rehabilitation of rolling stock and for other corporate purposes. The bill also authorizes the appropriation of \$75 million for loans or loan guarantees to provide emergency financial assistance for railroads operating passenger service. S. 3706. P/S 5/6/70.

Railroad Safety Act and Hazardous Materials Transportation Control Act: Designed to promote safety in all areas of railroad operation, to reduce railroad related accidents, and to reduce death and injuries to persons and to reduce damage to property caused by accidents involving any carrier of hazardous materials. S. 1933. P/S 12/19/69. P/H amended 6/15/70.

Shipper's recovery of a reasonable attorney's fee: Puts the shipping public, especially small shippers, householders, and travelers in a more equal bargaining position with carriers in settlement negotiations for recovery of damages sustained in the transportation of property by permitting a successful plaintiff to recover his attorney's fees if he allowed the carrier a reasonable period of time to settle the claim. S. 1653. P/S 1/26/70.

Urban Mass Transportation Assistance Act: Provides a Federal commitment for \$10 billion in funds over a period of 12 years for urban mass transportation programs; authorizes the Secretary of Transportation to incur contractual obligations up to \$3.1 billion for all authorized programs under the amended 1964 act, restricting disbursement by limitations from a maximum of \$80 million prior to July 1, 1971, which is increased by specified limitations for subsequent years reaching a maximum of \$1.86 billion on July 1, 1975, and \$3.1 billion thereafter, with further authorization requests, and recommendations for adjustment in the schedule of liquidating appropriations, to be submitted by the Secretary at 2-year intervals

before July 1, 1972 through 1982. Changes use of the discretionary fund from \$12.5 million to 1.5 percent of the aggregate amount of funds authorized to be obligated, except that an additional 6 percent may be used if it shall not prejudice or delay pending projects of other States, but in such case no State shall receive more than 25 percent of the grant funds made available by the exception, and authorizes a new program of 1-year loans to States and local public bodies, and agencies thereof, for the acquisition of real property reasonably expected to be needed and used for urban mass transportation purposes within a reasonable period. S. 3154. P/S 2/3/70. H.R. 18185. H. Cal.

VETERANS

Definition of "child" for veterans' benefit purposes: Revised the definition of "child" for veterans' benefit purposes to recognize an adopted child as a dependent from the date of issuance of an interlocutory decree. Public Law 91-262.

Group life insurance: Increased from \$10,000 to \$15,000 the amount of servicemen's group life insurance for members of the uniformed services. Public Law 91-291.

Medical benefits for older veterans: Provides that a veteran who is in receipt of a Veterans' Administration pension would no longer be required to sign under oath a statement of inability to defray the necessary expenses of hospital or domiciliary care in order to gain admission to a VA hospital for a non-service-connected disability. H.R. 693. P/H 6/2/69. P/S amended 10/21/69. House agreed to Senate amendment with an amendment 5/4/70.

Recoupment of disability severance pay: Liberalized the conditions under which the Administrator of Veterans' Affairs is required to effect recoupment from disability compensation otherwise payable to certain disabled veterans. Public Law 91-241.

Specialized medical resources: Provides greater flexibility in the Veterans Administration hospital and medical care program by providing the Administrator with greater administrative discretion in the appointment of nurses, in the internship and residency program, and in the appointment of dentists of high academic and research standing on a temporary full-time or part-time basis. H.R. 9634. P/H 6/2/69. P/S amended 10/21/69. House agreed to Senate amendments with amendments 5/4/70.

Veterans' Administration Regional Office in the Philippines: Extends for 4 years, until July 3, 1974, the authority of the Veterans' Administration to operate and maintain a regional office in the Philippines. H.R. 16739. Public Law 91- .

Veterans' disability compensation increase: Increases the compensation payments to totally disabled veterans whose disability is service connected from \$400 to \$450 per month; increases by 11 percent the compensation payments to other veterans with service connected disabilities; increases by 11 percent the allowances to dependents of disabled veterans whose disability is rated at 50 percent or higher; establishes a presumption that a disability suffered by a former prisoner of war from dietary deficiencies, forced labor, or inhumane treatment is service connected if the disability is related to malnutrition, or if the veteran became psychotic within 2 years of separation from military service. S. 3348. P/S 4/27/70. P/H amended 6/15/70.

Veterans Education and Training Amendments Act: Increased by 34.6 percent the basic "GI bill" monthly educational assistance allowance rates for veterans, and the allowances for farm training and apprenticeship programs; increased by 22.7 percent the vocational rehabilitation training subsistence allowance for educationally disadvantaged veterans; established a predischARGE educational program to assist servicemen in

preparing for future education while still on active duty; and expanded the veterans' outreach service program covering the Veterans' Administration counseling services to advise veterans of their entitlements and assist them in gaining employment. Public Law 91-219.

WELFARE

Social security and railroad retirement benefits: Extends for 4 months the period for States to assure aged, blind, and disabled social security beneficiaries who also receive welfare and increase of at least \$4 in their combined income from social security and welfare, and accords similar treatment to increases in railroad retirement benefits which may become law in 1971. H.R. 14720. P/H 5/19/70. P/S amended 6/19/70.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, is there further morning business?

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1971

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 991, H.R. 17923, the unfinished business.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The BILL CLERK. A bill (H.R. 17923) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to the consideration of the bill.

ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HOLLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HOLLAND. Mr. President, before I begin my formal statement I call attention to one fact I want every Senator to know about. When the full Committee on Appropriations marked up this bill we had been informed that the supplemental budget request was in the course of preparation to enlarge the school lunch program to make it conform to the new bill, which Senators will remember was passed and signed by the President a brief time ago.

The full committee gave to the managers of the bill, the Senator from Nebraska (Mr. HRUSKA) and me, authority to submit the supplemental budget request as an amendment to the bill if it

was received prior to Senate consideration of the bill. It was received on July 1, 1970.

Senators will find printed at page S10736 of yesterday's *RECORD* a full description of this item, including a copy of the supplemental budget request and a copy of the seven different amendments required to accomplish the request in full.

I wanted to explain this so that Senators who may be concerned about this request, which increases by \$216 million—plus the new school lunch program, will have a chance to advise themselves fully before we bring up this matter. I would assume we would not bring it up until the close of consideration of the bill in general, if that is agreeable with the Senator from Nebraska.

Mr. President, I want to give notice to that effect. As I have already stated, these items are described in full in yesterday's *RECORD* beginning at page S10736.

Mr. President, we now have under consideration H.R. 17923, the annual appropriation bill for the Department of Agriculture and related agencies. Appropriations in the pending bill as recommended by the committee total \$7,703,256,100, an increase of \$253,067,950 over the House bill, an increase of \$171,480,600 over the budget estimates, and \$333,842,050 under the regular 1970 Appropriation Act.

Mr. President, the committee report, 91-987, provides a complete explanation by each appropriation item in the bill—including changes in projects and activities thereunder—with comparisons showing amounts recommended by the committee in relation to the budget estimates, the House bill, and the prior year's annual Appropriation Act. The report is quite detailed and, therefore, in my statement I shall deal only with some of the activities which I believe are of current substantial interest to Members of the Senate, after which I will, of course, be pleased to respond to any and all questions Senators may have on any items in the bill.

I should say at this time that my distinguished friend, the Senator from Nebraska (Mr. HRUSKA), the ranking minority Member, who is also in the Chamber, is available to respond to any questions which may be addressed to him. I am glad he is here. He has been of great help in the handling of the bill, and in the preparation of this entire rather large and complicated bill.

RESEARCH AND EXTENSION PROGRAMS

The bill as reported provides a total of \$261,715,950 for research, plant and animal disease and pest control pro-

grams and the foreign currency research program carried out by the Agricultural Research Service. The total available for the subitem "research" is \$172,346,200, a net increase of \$25,544,000 over the annual Appropriation Act for 1970; \$15,909,000 over the budget estimates for fiscal 1971; and \$11,203,000 over the House bill.

Several increases are recommended by the committee for the staffing of new laboratories which have been completed or enlarged in recent years but the President's budget did not propose any additional staffing for fiscal 1971. The committee is cognizant of the expenditure limitations and the personnel ceilings under which the executive departments and agencies must operate, but believes that the staffing of important research laboratories dealing with the various important research missions must be promptly undertaken in spite of budgetary limitations. The House bill provides increases of \$4,042,000 over the estimates for these several research facilities and the Senate has recommended increases over the House amount of \$10,468,000. The amounts recommended provide for partial staffing and it is expected that future budgets will propose full funding for these facilities.

I cannot overstate the importance of this item. The committee was very distressed that a group of very fine laboratory facilities requested by the Department, and provided for as long as 5 years ago, some of which were completed 2 years ago, have not been staffed. We are particularly concerned that this is true with reference to six laboratories dealing with the pesticides research program. These laboratories are extremely important as we approach a solution to the pollution problem in which the whole Nation vitally interested.

The committee recommendations to the Senate, in dealing with the staffing and operation of the pesticides laboratories which were authorized in the Appropriation Acts for fiscal years 1965 and 1966, as a part of the budget recommendations for those years, provide for full staffing. These facilities are more urgently needed today than at the time of their authorization—yet, the budget as submitted to the Congress contained no increase over the small amounts provided for fiscal 1970 for the six laboratories which have been completed pursuant to the budget amendment in fiscal 1965, for the "pesticides package," which was transmitted directly to the Senate in Senate Document No. 85.

In other words, the work toward this program began under the recommendation of the then-President and at the insistent urging of the Department of Agriculture at that time.

The program embodied in Senate Document 85 amended the budget by an increase of \$29 million. All of the amounts for the agencies concerned were approved by the Congress except for a small amount for the Forest Service which is not under the jurisdiction of this committee, but for which appropriations were handled with that amendment to the budget.

Mr. President, the hearing record shows the urgent need for moving ahead very expeditiously in the staffing and operation of these new pesticides facilities. The hearing record also shows the several actions taken by the Secretary of Agriculture in the pesticides area to curtail or to eliminate the use of persistent and harmful chemicals. These new facilities will enable the Department to accelerate its research mission in the six new specialized laboratories which are concerned with pesticides.

The nature of the research program varies by laboratory from research on biological methods to control insects at the Gainesville, Fla., facility, to toxicological methods on livestock at College Station, Tex., to alternative and less persistent and harmful chemical methods at the facility at Stoneville, Miss., and in other laboratories there are also treated different aspects of this problem. The committee has, therefore, recommended an appropriations of \$7,921,400 for these facilities and has made provision in the bill for them to achieve full staffing during fiscal 1972.

The committee felt it would be derelict in its obligation to the public and to the Government, which has proclaimed its great interest in dealing with the pollution problem and the insecticide problem, if it did not provide for full activity in these new and very expensive and very fine laboratories, which are prepared to proceed with their work if only they were staffed.

Mr. President, in view of the general interest in the pesticides field, and the staffing of other laboratories to which I have referred, I request that page 8 of the committee report, entitled "Staffing of New Research Laboratories," be printed in the *RECORD* at this point.

There being no objection, the excerpt was ordered to be printed in the *RECORD*, as follows:

STAFFING OF NEW RESEARCH LABORATORIES

Items	1970 funds available (including increased pay costs) and 1971 estimate	Increases, 1971			Senate committee recommendations	Senate committee (plus or minus)		
		House bill	Department proposal	Amendment requested		Estimate, 1971	House bill, 1971	Appropriation, 1970
	(1)	(2)	(2a)	(3)	(4)			
(1) Cotton cost of production laboratories:								
Phoenix, Ariz.....	\$386,700	+\$165,000	-----	-\$165,000	\$786,700	+\$400,000	+\$235,000	+\$400,000
Stoneville, Miss.....	132,200	+110,000	-----	-110,000	382,200	+250,000	+140,000	+250,000
College Station, Tex.....	153,100	+110,000	-----	-110,000	435,100	+300,000	+190,000	+300,000
Subtotal.....	672,000	+385,000	-----	-385,000	1,622,000	+950,000	+565,000	+950,000

Footnotes at end of table.

Items	1970 funds available (including increased pay costs) and 1971 estimate	Increases, 1971		Amendment requested	Senate committee recommendations	Senate committee (plus or minus)		
		House bill	Department proposal			Estimate, 1971	House bill, 1971	Appropriation, 1970
	(1)	(2)	(2a)	(3)	(4)			
(2) Pesticides laboratories:								
Gainesville, Fla. (insect attractants).....	\$365,000	+ \$550,000	+ \$550,000	-----	\$1,836,000	+ \$1,471,000	+ \$921,000	+ \$1,471,000
Savannah, Ga. (insect control).....	504,300	+ 220,000	+ 200,000	- 20,000	704,300	+ 200,000	- 20,000	+ 200,000
Stoneville, Miss. (pesticides).....	209,800	+ 330,000	+ 330,000	-----	1,129,800	+ 920,000	+ 590,000	+ 920,000
Stoneville, Miss. (weed research).....	141,900	+ 440,000	+ 440,000	-----	1,256,900	+ 1,115,000	+ 675,000	+ 1,115,000
Durant, Okla. (water pollution).....	150,800	+ 220,000	+ 220,000	-----	590,800	+ 440,000	+ 220,000	+ 440,000
College Station, Tex. (livestock insects).....	178,600	+ 550,000	+ 550,000	-----	2,403,600	+ 2,225,000	+ 1,675,000	+ 2,225,000
Subtotal.....	1,550,400	+ 2,310,000	+ 2,290,000	- 20,000	7,921,500	+ 6,371,000	+ 4,061,000	+ 6,371,000
(3) Other research laboratories:								
Georgetown, Del. (poultry).....	53,800	+ 55,000	-----	- 55,000	253,800	+ 200,000	+ 145,000	+ 200,000
Byron, Ga. (fruit and nut crops).....	617,200	+ 55,000	-----	- 55,000	672,000	+ 55,000	-----	+ 55,000
Dawson, Ga. (peanut marketing).....	361,800	+ 55,000	-----	- 55,000	416,800	+ 55,000	-----	+ 55,000
Baton Rouge, La. (beefstock).....	-----	+ 100,000	-----	- 100,000	100,000	+ 100,000	-----	+ 100,000
Oxford, Miss. (sedimentation).....	-----	+ 165,000	-----	- 165,000	165,000	+ 165,000	-----	+ 165,000
Miles City, Mont. (range).....	169,800	+ 55,000	-----	- 55,000	224,800	+ 55,000	-----	+ 55,000
Grand Forks, N. Dak. (nutrition).....	78,500	+ 275,000	+ 275,000	-----	428,500	+ 350,000	+ 75,000	+ 350,000
Pendleton, Oreg. (soil and water).....	96,100	+ 55,000	-----	- 55,000	151,100	+ 55,000	-----	+ 55,000
University Park, Pa. (pasture).....	-----	+ 110,000	-----	- 110,000	110,000	+ 110,000	-----	+ 110,000
Madison, Wis. (barley).....	170,900	+ 55,000	-----	- 55,000	225,900	+ 55,000	-----	+ 55,000
Madison, Wis. ²	82,000	+ 42,000	-----	- 42,000	124,000	+ 42,000	-----	+ 42,000
Subtotal.....	1,630,100	+ 1,022,000	+ 275,000	- 747,000	2,872,100	+ 1,242,000	+ 220,000	+ 1,242,000
(4) Utilization research laboratories:								
Albany, Calif.....	507,900	+ 165,000	-----	- 165,000	672,900	+ 165,000	-----	+ 165,000
Athens, Ga.....	1,407,400	+ 465,000	-----	- 465,000	2,452,400	+ 1,045,000	+ 580,000	+ 1,045,000
Peoria, Ill.....	482,700	+ 365,000	-----	- 365,000	847,700	+ 365,000	-----	+ 365,000
New Orleans, La.....	485,400	+ 165,000	-----	- 165,000	650,400	+ 165,000	-----	+ 165,000
Wyndmoor, Pa.....	377,500	+ 165,000	-----	- 165,000	552,500	+ 165,000	-----	+ 165,000
Subtotal.....	3,270,900	+ 1,325,000	-----	- 1,325,000	5,175,900	+ 1,905,000	+ 580,000	+ 1,905,000
Adjustment for delays in staffing.....	-----	- 1,000,000	-----	+ 1,000,000	-----	-----	+ 1,000,000	-----
Total.....	7,123,400	+ 4,042,000	+ 2,565,000	- 1,477,000	17,591,400	+ 10,468,000	+ 6,426,000	+ 10,468,000

¹ Includes additional funds for pay cost increases.

² This is not for staffing a recently completed USDA laboratory. It would be used for cooperative work on oat quality research at the University of Wisconsin. These funds would allow (1) equip-

ping the oat quality laboratory, and (2) increasing cooperative research efforts to improve oat quality.

RESEARCH OBJECTIVES OF PESTICIDES LABORATORY FACILITIES

Mr. HOLLAND. Mr. President, I also offer for the record a brief description of the specific research programs that will be undertaken in the pesticides laboratories for which funds are provided in the pending bill. This statement of research objectives was supplied to the committee by the Agricultural Research Service and I think, in view of the fact that it has been a number of years since the hearings which authorized the construction of these facilities, that it is timely that a current description of the research programs to be undertaken at these facilities be included in the RECORD.

Mr. President, I request that the attached summary be printed in the RECORD at this point.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

1. Florida, Gainesville (Research on insect attractants, behavior, and basic biology, and environmental research on stored-products insects).

The new laboratory at Gainesville, Florida was completed in February of 1969. This laboratory provides facilities for the following research:

Insect attractants. Research on insect attractants, as well as insect behavior, and basic biology, to develop nonchemical methods for control of our major pest species of insects. Nonchemical methods would reduce or eliminate the amounts of insecticides used by farmers for insect control and reduce pesticide residues that pollute our air, water, soil and food. Research has shown that attractants are a promising approach to development of nonchemical methods of insect control. A number of insect attractants have been isolated and tested under field as well as laboratory conditions. One of these methyl eugenol has been used with a pesticide to eradicate the oriental fruit fly from Guam.

Other attractants have been indispensable in plant pest control programs for control of Mediterranean fruit fly, gypsy moth, pink bollworm, boll weevil and other species.

Stored-products insects. Research on the biology, ecology, physiology, nutrition, and behavior of the stored-products insects, to provide knowledge on the weak points of the insects that may be attacked with entirely new types of control measures. Relatively little basic information is available on the above as it relates to stored-products insects. New approaches can employ biological and physical methods of control that would replace the use of conventional insecticides. These methods would also circumvent the increasing severe threat of acquired resistance to insecticides. Other information would lead to the development of more effective insecticidal control so the amount of chemicals used can be reduced and residues would be minimized in those circumstances where there is no alternative to insecticidal control.

2. Georgia, Savannah (Research on insect control in stored agricultural products).

The new laboratory at Savannah, Georgia was completed in November of 1969. This laboratory provides space for the on-going research which was conducted in substandard facilities at Savannah aimed to develop alternate methods for controlling insects in stored agricultural products; and for new research to develop practical methods for the use of pathogens to control stored-products insects. Basic research being conducted in the laboratory has indicated there is a great potential for developing pathogens (such as viruses, bacteria, protozoan, and nematodes which are harmless to man) as an alternate control method for stored-products insects. Very few of the many insecticides available have been approved for use on harvested crops and still fewer on or around processed foods and feeds. As attitudes toward residues become more critical, some of these approvals may be withdrawn and the tolerance level reduced on others. Insects are developing resistance to malathion and pyrethrins, two of the most commonly used insecticides to

protect food and feed from damage and contamination.

3. Mississippi, Stoneville (combined facility for pesticide laboratories)—Bioenvironmental Insect Control and Biological Control of Weeds.

The new laboratory complex at Stoneville, Mississippi is expected to be completed in the first quarter of fiscal year 1971. This laboratory (in addition to research on cotton physiology) provides facilities for the following research:

Bioenvironmental insect control. Basic and applied research to develop methods of area suppression or eradication of different kinds of insect populations. The nature and extent of agricultural insecticide usage in southern areas at the present time poses a great threat to the maintenance of a clean environment. Research at this laboratory would develop ways of meeting problems that would avoid or minimize use of broad spectrum, residue-forming and persistent insecticides which may pose immediate or long-range hazards to man and his environment. Emphasis would be placed on field research on the ecology, population dynamics, and control of insects by bioenvironmental methods directed toward the control of major insect pests of cotton, corn, soybeans and various other crops, including sugarcane, vegetables, and insects affecting livestock.

Biological control of weeds. Research on weeds to discover new herbicides, develop new combinations of cultural, chemical, mechanical, and biological methods that are safe as well as effective and do not leave harmful residues in the product or in the treated soil. Weeds cause losses in yield and quality by competing for water, fertilizer, and light. They also act as hosts and reservoirs of infection for nematodes, insects, diseases, and plant parasites. Mechanical and cultural methods of controlling weeds in these crops are inadequate alone, or even in combination with present herbicides. Few if any of these combination methods effectively control all weeds in a single crop. The overall mechanization of production and

harvesting of vegetables is being impeded by the need for more efficient methods for controlling weeds. The research program is primarily directed to weed control in the Southeastern States. The research covers weed control problems of specific crops including cotton, soybean, pasture and horticultural crops. The research also covers problems concerned with aquatic weed control.

4. *Oklahoma, Durant (water pollution research).*

The National Agricultural Water Management Laboratory at Durant, Oklahoma was completed in the fourth quarter of fiscal year 1970. This laboratory provides facilities for research to determine the nature and magnitude of surfaces and ground water quality degradation resulting from management practices on farm and ranch land, and to develop methods for improving the quality of water coming from agricultural lands.

There is concern over use of pesticides on agricultural crops including the possible presence of these chemicals in the runoff water from agricultural lands with eventual pollution of streams; in soil particles eroded from fields that are carried into streams and reservoirs by the sediment; and in water entering into deep percolation that recharges aquifers providing water for domestic, farmstead, and irrigation use. Also, concern is growing over the relationship between fertilizer applications and the increase in plant nutrient level in surface and underground waters. Degradation of waters caused by eutrophication, a process due to nutrient enrichment which stimulates growth of algae and aquatic weeds, is increasing. Public health officials have expressed concern over the levels of nitrate in wells and other sources of drinking water from nitrogen fertilization of crops.

5. *Texas, College Station (research on control of livestock insects and on toxicological and pathological effects of pesticides on livestock).*

The new facilities for this research at College Station was completed in the fourth quarter of fiscal year 1970. This laboratory provides facilities for the following research:

Control of livestock insects. Research on the development of safe chemical and non-chemical methods for control of insects affecting livestock that would minimize or avoid insecticide residues in meat, milk and other animal products. There are heavy annual losses of livestock and poultry caused by insects and other arthropods in reduced weight gains, reduced production of milk, eggs, and other animal products, and inferior quality animal products. Of great concern is the development of insecticides which will not leave harmful residues in livestock and poultry products. New types of chemicals to reduce residue hazards and to develop noninsecticidal ways of controlling insects would be emphasized. The research on insects involving chemicals is in close coordination with the toxicological investigations on livestock.

Research on toxicology and pathology effects of pesticide on livestock. Research to develop ways of reducing losses of livestock and poultry due to chemical poisoning by developing an understanding of the nature of the intoxications and the biological mechanisms involved and by developing proper preventive and/or antidotal procedures. The data developed through this research will reveal the levels of various chemicals that can be considered non-hazardous and provide guidelines for the livestock and chemical industries and regulatory agencies in establishing residue tolerances for meat, milk, and other products of animal origin.

Mr. HOLLAND. Mr. President, I might add, in addition to the staffing of the pesticides laboratories, we have provided for two others that were in the same

position in that they had been completed but not staffed. One of them was completed some years ago, another in more recent times. One of those was the nutrition laboratory at Grand Forks, N. Dak., and the other the poultry research laboratory at Georgetown, Del.—for which we provided only partial staffing; \$253,800 is available there for 1971.

I see present my distinguished friend from North Dakota (Mr. Young), who is interested not only in the pesticide program but I think has a special interest in the nutrition program at Grand Forks, N. Dak., which has been provided for in the bill.

I gladly yield to the distinguished Senator from North Dakota.

Mr. YOUNG of North Dakota. Mr. President, I greatly appreciate that the Senator from Florida my good friend the ranking minority member, Mr. HRUSKA, and the committee saw fit to put in the bill money to staff this nutrition laboratory. It is the only laboratory of its kind in the United States. It will be dedicated in about 2 months from now, and the top nutrition experts from all over the United States are scheduled to attend.

I do not know of anything more important in the field of nutrition than to find better foods and better use of foods and better diets than is the case now. I think there is a great abundance of food all over the United States, but there is a problem with respect to the right kind of nutrition.

Our people in North Dakota are most grateful to the Senator's committee for putting in funds to staff the laboratory. If that had not been done, it would just be an empty building, at a time when proper nutrition is one of our greatest problems.

Mr. HOLLAND. I thank the Senator. I think it would be a very fine and merited tribute if that laboratory bore the name of Milton Young, because he has worked for it for years. He has been very patient in waiting for this staffing. The committee evidently thought he had waited long enough and put in funds for the staffing.

PAYMENTS TO STATES FOR RESEARCH

Mr. President, the committee has recommended a total of \$69,826,000 for payments and expenses to the Cooperative State Research Service. As reported from the committee it is recommended that there be appropriated \$61,390,000 for payments to the States under the Hatch Act formula, which represents an increase of \$6,201,000 over the 1970 appropriation, including \$3,104,970 for increased operating costs and \$3 million for community improvement research. The committee believes the States should have an opportunity to broaden their research efforts in this area and has restored \$3 million of the budget estimate for this purpose.

The committee has also recommended the budget estimate of \$3,350,000 for research to be conducted under contracts and grants. This is an increase of \$1,350,000 over the House bill and the amount of the budget estimate, to enable the Cooperative State Research Service, in

conjunction with the several States, to establish five pilot regional rural development centers to concentrate in rendering specialized assistance to the several States on rural development research.

The committee has also recommended an increase of \$10,400,000 over the 1970 appropriation on a nonformula basis to accelerate rural community development extension work. This increase, which was budgeted, was denied by the House, but the committee is recommending the amount requested in the budget for this purpose. The bill also carries \$48,560,000 for the nutrition aide program initiated 2 years ago. The amount recommended represents an increase of \$20 million over the 1970 appropriations and will provide for the employment of 2,600 additional nutrition aides, bringing the number of such aides to 7,400.

In this connection, I personally want to state that I think the Department of Agriculture, and particularly the Extension Service, is doing fine work in this field by providing liaison with nutrition aides who are not civil service employees, working between the experienced and specialized people in the Extension Service, the county agents, the home demonstration workers, and the poorer people whose nutrition needs are being supplied but who in many cases do not know what is the proper food for them either to buy with food stamps or to acquire from the commodity distribution program.

On the subject of child nutrition and food stamp programs, I have already touched, in my beginning remarks, on the fact that we had received a supplementary budget item on the school lunch program, but I note that that is included in my next remarks, which deal with child nutrition and food stamp programs.

CHILD NUTRITION AND FOOD STAMP PROGRAMS

Mr. President, the Senate received a budget amendment, Senate Document 91-94, on July 1, to increase the estimate for the child nutrition program by \$216,579,000. The committee anticipated this action at the time the bill was reported and it authorized me to offer an amendment to this bill to increase the appropriation for this item by the amount of the budget amendment. I intend to offer that amendment at the conclusion of my statement, at which time I will discuss the child nutrition program in greater detail.

Mr. President, the bill as recommended to the Senate by the committee provides the full budget estimate of \$1,250 million for expenses of the food stamp program during fiscal 1971, including the House provision that this appropriation shall be available only within the limits of amounts authorized by law for fiscal 1971.

I shall have more to say later, Mr. President, about the situation with reference to the pending authorization measure passed so many months ago by the Senate but still under consideration in the Agriculture Committee of the other body.

The amount recommended is a net increase of \$640 million over the appropriation for fiscal 1970. The conference report on House Resolution 17399, the

Second Supplemental Appropriation Act for 1970, provides that \$300 million of the amount recommended in this bill for fiscal 1971 is to be available for use during the first 4 months of the current fiscal year and will be charged against this appropriation bill when it is enacted into law.

In other words, because of this great delay in the passage of the authorization, the food stamp bill, the Senate, in the passage of the last supplemental bill for 1970, included this \$300 million to cover the first 4 months under the food stamp program; but beyond that there is no coverage until we have an authorization bill, and that subject, I think, will deserve very seriously consideration later in this debate.

Mr. President, the bill as reported carries \$150,997,000 for the Consumer and Marketing Service, the major portion of which goes to the inspection and grading of a number of commodities and food products.

The committee has concurred in the action of the House to reinstate the special milk program and continue it at the level of \$104 million. Recently, the Congress sent to the White House for approval a permanent authorization for the special milk program.

If the President has acted on that bill, the Senator from Florida has not been advised of any such action, but the \$104 million will, of course, depend, as to whether it remains in this bill, upon the passage of the authorization measure, because the older authorization measure has expired.

REA ELECTRIC AND TELEPHONE PROGRAMS

Mr. President, for the REA electric program the committee bill recommends new obligational authority of \$352 million. This is \$30 million over the House bill and the estimate, and \$12 million over the authorization for fiscal 1970. Combined with carryover from 1970, which includes the \$20 million impounded by the Bureau of the Budget, this will provide a total loan program of \$375 million for the coming fiscal year.

I want to say at this time, Mr. President, that while the committee made this recommendation, the committee is fully advised of the fact that the Budget Bureau has been holding up increases which the committee felt were entirely necessary and justified in view of the huge backlog of requests. It held up slight increases in the budgeted amount which this committee has reported and which have been enacted by Congress over the last 3 years. This recommendation for an increase this year may meet the same fate; but we want to make it very clear that we are recommending the increase as only a very partial handling of the great backlog of applications that are now on file.

The committee is sympathetic to the efforts of the rural electric systems to establish a cooperative finance corporation and, in that regard, has included language in the report recommending that the Administrator grant deferments on principal installments of up to 3 years in order that the cooperatives themselves may invest in this new self-financing venture. That would be with reference

to new loans, Mr. President, and not with reference to outstanding loans.

Mr. President, I ask unanimous consent that the text of the statement in the committee report, pages 38-39, entitled "Supplemental Financing Program" be printed in the RECORD at this point.

There being no objection, the excerpt from the committee report (No. 91-987) was ordered to be printed in the RECORD, as follows:

SUPPLEMENTAL FINANCING PROGRAM

The Committee commends the rural electric systems in their attempt to establish a financing organization to help alleviate the large financial needs of the rural electric systems for new capital financing from the Federal Government. The National Rural Utilities Cooperative Finance Corporation (CFC) was incorporated in the District of Columbia on April 10, 1969. The Committee understands that CFC now has 785 members in 44 states.

Historically, REA has granted loans since the program began in 1935 allowing deferment of the payment of principal on the loans for varying periods of time. In some cases the deferment period has been for one year, in some cases for two years, in some cases for three years, in some cases for five years, and in a few instances even longer.

The Committee believes that the CFC plan has the potential of diverting the growing need to increase the annual loan authorization and achieve a large measure of "self-financing" in future years. To be most effective the capitalization of the corporation must be accelerated.

The Committee expects the REA Administrator to assume an active role in cooperation with CFC in the accumulation of initial subscription of capital from CFC members for initial operations.

In addition to the subscription of capital from existing sources, and to meet the objectives set forth in the House Committee Report, a continuous flow of capital funds is essential to the orderly development of the CFC.

The Committee is of the opinion that the recommendation to the House Committee Report to defer principal repayments on outstanding loan contracts is not a feasible method of providing for an orderly flow of capital subscriptions to the CFC. The Committee recommends that beginning on July 1, 1970, that the REA Administrator grant up to a three-year deferment on principal installments on new REA loans—with the understanding that such deferred installments on principal will be invested by borrowers in the CFC.

Such regular investments in CFC when continued for several years and coupled with the open market sale of debentures, should then enable the REA Administrator and the CFC to make an orderly transition from complete reliance upon government financing to a greater reliance upon the sale of CFC debentures, except for the financing of systems where the input of 2 percent government loans may be essential to the maintenance of adequate electrical service at reasonable rates in low density population areas.

Mr. HOLLAND. For the REA telephone program, the committee has included new obligational authority of \$138,800,000, which is \$15 million over the estimate and the House bill, and \$15,500,000 over the amount appropriated for fiscal 1970. This amount, combined with the carryover from 1970, will provide a total program level of \$140 million for fiscal year 1971. On April 2, the Senate passed S. 3387, the self-help supplemental financing program for the telephone pro-

gram. To date, this bill has not passed the House.

Mr. President, I want to say that not only does this subcommittee, and the Appropriations Committee, as a whole approve of the efforts now being made by the REA electric cooperatives and the REA telephone organization to enter into self-help programs somewhat like those that are found in the Farm Credit Administration, but we have, by our language and by our actions in this bill, sought to aid in those efforts, which we think are highly commendable. The committee believes a great need exists in rural areas for this program, and has attempted to meet at least part of it with the increased funds contained in the bill.

COMMODITY CREDIT CORPORATION AND PUBLIC LAW 480

On the Commodity Credit Corporation and Public Law 480, Mr. President, there are several important changes.

The major items of difference between the House passed bill and the recommendations of the committee deal with the appropriations available to the Commodity Credit Corporation. The committee has restored the budget estimate for the reimbursement to the Commodity Credit Corporation for net realized losses. The amount recommended is \$3,363,155,000, the amount requested in the budget. It covers the balance of \$249,998,669 of unreimbursed losses for fiscal 1968, and the full reimbursement appropriation necessary for fiscal 1969 in the amount of \$3,113,156,331.

Mr. President, I commend the Bureau of the Budget for doing at last, but for the first time, what this committee has been insisting upon for at least 8 or 10 years: that is, that the law be followed in that the full deficit incurred by the CCC—not by any illegal or irregular methods, but simply by carrying out the laws which Congress has passed—be restored each year. That is fair not only to give information as to the cost of the program, but it is fair to leave the CCC in the best position to meet all the burdens that may be placed upon it. The committee has restored the House reduction of \$250 million in this fund to bring the affairs of the Commodity Credit Corporation to a current basis as intended by Public Law 87-155, which authorizes appropriations to restore and repair the capital structure of the Commodity Credit Corporation every year. This appropriation method was intended to bring to the attention of the Congress and all parties concerned the actual fiscal affairs of the CCC as soon as possible after the end of the fiscal year. The appropriation, while it provides new obligational authority, in no way affects the expenditure level of the CCC for the coming year. These mandatory expenditures are authorized pursuant to a permanent level and this is, in effect, only a paper transaction, that is to restore the borrowing capacity of the CCC, which it has reduced by its operations in the time period I have mentioned already in my statement. I am pleased to note that if the Senate approves the committee's recommendations on this item—and we are able to prevail in the conference,

which I hope we will—for the first time in a long time the reimbursement appropriation to restore capital impairment of the CCC will be on a current basis as intended by law, and I commend the officials of the Department of Agriculture—both the prior administration and this administration—and the Bureau of the Budget for their cooperation in regard to this item. I hope that in future years this account will be kept on a current basis.

That is fair to agriculture, fair to Congress, and fair to the general public, so that they may know the scope of the operations of this very important corporation, which handles so much business not only of importance to agriculture, but of importance to the Nation in various other fields, including social service and foreign relations.

Mr. President, in connection with the appropriation for Public Law 480, the committee has recommended a total of \$702,500,000 for titles I and II of that act for the coming fiscal year. This is a reduction of \$230 million under the budget estimate and is the same amount proposed in the House bill, and is \$217,500,000 under the 1970 Appropriation Act. The action of the committee in recommending these reduced amounts in no way reflects upon its interest and support in the continuation of Public Law 480 activities. However, the current authorization for the program expires December 31, 1970. The legislative committees, due to the press of other business, have not been able to proceed with the extension of the authorization—

which is fully expected before the adjournment of Congress. The committee believes the amount recommended is fully adequate, pending extension of Public Law 480 authorization as previously stated, and if additional funds should be needed prior to the request for supplemental estimates, the Secretary of Agriculture is authorized by law to use the borrowing authority of the CCC to meet the expenses of this act.

Mr. President, this concludes my general statement. I yield at this time with pleasure to my distinguished colleague, the Senator from Nebraska (Mr. HRUSKA), the ranking minority member of the committee, who has rendered such great service, not just to his State but to agriculture in general, and to the committee and to the Senate, in his very active handling of matters in the hearings, in the drafting of this bill, and in otherwise generally serving agriculture. I yield to the Senator from Nebraska.

Mr. HRUSKA. I thank the Senator from Florida for his generous remarks.

Mr. President, this is the seventh consecutive year in which we have been favored with a summary of the agricultural appropriation bill by the senior Senator from Florida. In the meantime, he has announced that he has chosen to retire from this body at the conclusion of this session of Congress. The dedicated service that he has rendered for the past 24 years to this body and to the Nation is a subject on which much can be said, and later in the day much will be said on this subject. I defer in that regard

until a later time, when more of our colleagues can be in the Chamber to comment on it. In the meantime, I make this expression of appreciation for his very fine summary of the bill before the Senate.

As to the budget itself and the bill, Mr. President, the proposal before us represents the best composite consideration of the Agriculture Appropriations Subcommittee and the full Appropriations Committee. Because of the budget stringencies which all of us are attempting to observe, the subcommittee has reviewed the proposed budget closely in an effort to weigh the priorities fairly, and to assess accurately the impact of major adjustments proposed by the Department of Agriculture and by the House of Representatives.

Throughout the proceedings, the subcommittee has been mindful not only of the great needs of the farmer, but also of the consumer as well. After all, without the consumer and his interest and his need of the agricultural products, we would have no justification for activity.

At this point it would be well to correct an erroneous impression held unfortunately by too many people—the impression that the agriculture budget is simply a subsidy for farmers. In order to try to correct that constantly recurring phenomenon, I ask unanimous consent to have printed at this point in the RECORD a table of statistics on this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE—BUDGET OUTLAYS, FISCAL YEARS 1969, AND ESTIMATED 1970 AND 1971

[In millions of dollars]

	1969	1970 estimate	1971 estimate		1969	1970 estimate	1971 estimate
Programs which clearly provide benefits to consumers, businessmen, and the general public:				All other.....	\$278	\$312	\$315
Programs having foreign relations and defense aspects:				Cooperative agricultural extension work.....	97	130	171
Sales of agricultural commodities for foreign currencies and for dollars on credit terms (title I, public law 480).....	\$610	\$614	\$501	Inspection of commodities and other marketing services.....	115	145	149
Commodities and other costs in connection with donations abroad (title II, Public Law 480).....	364	357	351	All other.....	91	106	114
Transfer of bartered materials to supplemental stockpile (net).....	-4	-2		Total.....	1,229	1,377	1,404
Donations of dairy products to armed services and others.....	27	5	23	Total.....	3,974	4,529	4,118
Total.....	997	974	875				
Food distribution programs (domestic):				Other programs which are predominantly for stabilization of farm income, but which also benefit others:			
Commodities distributed to the needy and others.....	621	577	703	CCC price-support and related programs:			
Food stamp program.....	248	575	1,249	CCC loan, purchase, export, and related programs.....	928	390	-114
Child nutrition program.....	237	302	314	Storage, handling, and transportation expenses.....	121	181	188
Special milk program.....	102	81	17	Interest expense (net).....	228	303	405
Total.....	1,208	1,535	2,283	Acreage diversion payments:			
REA and FHA repayable loans:				Feed grains.....	801	541	801
REA loans.....	473	511	492	Wheat.....	24	47	77
Repayments of principal and interest.....	-276	-273	-287	Cotton.....	96	19	28
FHA loans.....	263	312	-755	Price-support payments:			
Salaries and expenses for loan programs.....	80	93	106	Feed grains.....	626	728	715
Total.....	540	643	-444	Cotton.....	643	798	878
Long-range programs for the improvement of agricultural and natural resources:				Wheat certificate program.....	359	398	430
Forestry.....	61	97	102	National Wool Act program.....	65	55	62
Agricultural and forestry research.....	265	268	279	Total.....	3,891	3,460	3,470
Plant and animal disease and pest control.....	88	96	101	Cropland adjustment program—adjustment payments.....	76	76	76
Soil and water resource protection and development:				Conservation reserve program.....	107	40	1
Agricultural conservation program.....	234	223	173	Federal crop insurance program (net).....	7	4	
				Sugar Act program.....	87	93	88
				Salaries and expenses for above programs.....	188	205	200
				Total.....	4,356	3,878	3,835
				Grand total.....	8,330	8,407	7,953

Mr. HRUSKA. The fact must be granted that the farmer benefits from many phases of the budget, as he has for decades. But it does the vast program a disservice to dismiss it perfunctorily in such terms. Its benefits to the Nation are much, much broader; extending to many segments of our society and our economy. These benefits include the health and safety of consumers, better and cheaper products, rural community development, antipollution and antihunger measures, among many which are contained in this bill.

Despite the general application of the Department's program, its critics focus inevitably each year on the farmer, characterizing him as a poor dependent who costs the Government billions of dollars in subsidies. This is a most unjustified view.

The fact must be brought home to our urban friends that the consuming public benefits most from the achievements in American agriculture and therefore has the greatest stake in a stable, progressive agriculture program. It has been estimated, Mr. President, that more than 50 percent of the total 1971 budget contains programs which will be of direct benefit to consumers, businessmen and the general public.

Let us consider as a case in point the matter of good prices. While they have risen recently, they still have not risen at the rate of other consumer products, or at the rate of personal incomes. Food is still a relatively good buy—the best in history, in fact. The average U.S. consumer can buy this family's food supply for 16½ percent of his after-tax income, and that is the lowest percentage of income which has ever been spent for food in this country. Of course, it is a good deal lower than is spent anywhere else in the world.

For this achievement, the consumer is indebted to our agricultural research program and the remarkable efficiencies which have been built into our food industry, the envy of every nation in the world.

The agriculture industry also has been a pioneer in seeking solutions to many national problems, such as pollution, hunger, health, and safety of the public. Such problems have been the concern of the industry for many years. Now they are being approached with even greater emphasis.

This is why the Senate committee felt it was necessary to move forward as originally scheduled on pesticide research and control, antipollution research and rural community development.

There are several items in the Agriculture appropriations bill which are of particular interest which I would like to discuss briefly. They are:

First, the necessity to move forward with pesticide research.

Second, the great benefit resulting to the consumer from research to improve the quality and productive efficiency of meat.

Third, the need and concern for rural development, thus reversing the trend of outmigration from farms and rural communities.

Fourth, the concern for the problems of pollution of our air, soil and water.

Fifth, the need for improved livestock surveys.

First, we are all aware of and concur in the emphasis currently being placed upon the potential danger to the consumer and the possible effects to our environment of unwise use of pesticides and herbicides. This problem was foreseen some time ago by the Congress and the Department, and a research program to meet the need was launched in 1965. Research facilities were authorized for construction, with completion and staffing scheduled to be completed by 1972.

These research laboratories are now completed and standing idle.

The Senate committee felt that because of the pressing need by the consumer and the farmer for information and guidance in this important area, staffing of the facilities should proceed as planned. We have, therefore, provided for full staffing of these laboratories, which was not provided in the Department's request or the House bill.

We feel this research is needed now, not only for its direct results, but for its important relation to other antipollution research and control measures which are being planned and implemented.

A second area of important consumer benefits is the research which will be done to improve the quality and productive efficiency of meat.

The beef industry, which accounts for the largest segment of our largest and most important industry, faces a tremendous challenge if it is to produce 40 percent more beef needed by 1980 and still provide the necessary product quality and production efficiency. The rapid rise in consumer demand for beef in the last few years has resulted in higher prices.

I am not here to defend these prices or to condemn them. It should be noted, however, that the farmer and rancher do not sell meat. He sells cattle. There is a wide gulf between the price of cattle at the farm and the retail price at the meat counter. Sometimes the ways in which prices move are mysterious, and we do not have the time today to untangle the relationship between retail and wholesale meat and farm cattle prices. But when prices rise, I can assure you the blame should not be placed on the stock grower who is getting for his product essentially what he received 20 years ago, and perhaps a little less.

In the meantime the farmer and rancher is facing higher production costs. Waste fat amounts to 20 percent of the beef carcass from feedlot cattle. Lack of tenderness is found in 5 percent of these cattle. Consumer-preferred cuts account for only 50 percent of the total carcass. There is a great opportunity for improvement through research of the quality of the product and feeding efficiency. This research will be of direct benefit to consumers.

This bill contains \$1,328,800 for research to improve quality and feeding efficiency of beef and sheep. Along this line, \$1,800,000 in development funds have been granted to complete the phase

I facilities for the U.S. Meat Animal Research Center at Clay Center, Nebr.

For too long there has been an imbalance between the resources we have invested in crop research as opposed to those invested in animal research. Over the past 13 years the Department of Agriculture has spent two and three times more for crop research, although livestock marketing receipts are about 54 percent of total farm cash receipts. It is high time to bring about a better balance in the two research budgets in recognition of their relative importance in dollars.

There are many other areas which have a direct or indirect effect on public welfare. More than \$16 million was approved for economic research. This service develops and carries out a program of economic research designed to benefit farms and the general public by providing studies and economic reports on commodities and the markets. More than \$149 million was put into consumer protective marketing and regulatory programs. Payments to States and cooperative programs fund many activities directed at maintenance of the quality of agriculture products, development of new and expanded markets, and more effective disposal of seasonal surpluses through better advertising, and improved marketing techniques.

Third, rural development is also a topic of great concern and current discussion. Although the House felt that it would be better to allocate more money for loans and grants for rural water and sewer development, our committee felt that a good start should be made in research programs directed at community improvement so that the migration out of rural areas can be reversed or at least halted, thus reducing the growing problems of overcrowded urban centers.

The Senate committee has restored \$3 million of the budget estimate of \$5 million, denied by the House to the Cooperative State Research Service for community improvement research. The committee felt that the States should have the opportunity to apply their skills and effectiveness to this field of research. There is also \$1,350,000 to establish five "pilot" regional research centers which will concentrate on community improvement research and render specialized assistance to the States in this new program.

Along this line, the committee has provided \$10.4 million for the Extension Service, the amount of the Department's estimate, which will finance extension activities for State and multicounty rural community development work.

Rural development has long been the cornerstone of the Soil Conservation Service, but this year work will proceed at an even faster pace. The Senate increased the resource conservation and development program by \$800,000 over the House mark and budget estimate. This carries on the program of rural renewal and will provide planning funds for new projects without impinging upon development work in authorized projects.

There are also substantial increases in the construction of watershed works of

improvement and the Great Plains program. In my opinion, the Soil Conservation Service is one of the Federal Government's most popular programs as far as Nebraskans are concerned. I certainly consider its efforts as one of the best investments of public funds that we receive in my State. It fulfills the administration's desire to strengthen rural America and improve the quality of our environment. It is also sound evidence of the pioneering work of the Department of Agriculture in the field of pollution abatement.

The cause of rural development is also advanced by the committee's action in increasing the loan level of the Rural Electrification Administration to \$375 million, and the rural telephone program to \$140 million; also by increasing Farmers Home Administration loans for water and sewer improvement to \$60 million. The increase in water and sewer loans is \$36 million over that requested in the budget and \$4 million over that recommended by the House committee.

My fourth point is pollution.

Pollution is an item which has been mentioned several times before earlier today. It is a matter of concern in almost every phase of the activities of the Department of Agriculture. The Soil Conservation Service has made great contributions in meeting this problem, but there are still many things to be done. Secretary Hardin has stated that "siltation is still the largest single pollutant of water." Through the agriculture conservation program and the Soil Conservation Service, major steps are being taken to stop the deterioration of the American environment and to bring about resource and environmental improvement.

In this connection, the Senate committee has granted \$1,452,200 for pollution research concerned with animal and poultry waste management. This has become an increasingly bothersome problem, and we are confident that much progress can be made as time goes on, with a little more emphasis in this area. The intensified research is needed in all phases of animal waste management, including characteristics of manure removal from animal quarters, runoff, storage, transport, treatment, ultimate disposal, and economic evaluation to insure improvement of environmental quality with minimum disruption of current production-efficiency levels. The research which is proposed would determine the physical, chemical, and biological properties of wastes and the influence of management practices on these properties; developing methods for effectively reducing the volume and polluting properties of animal wastes; developing alternative uses of wastes; and developing processes for eliminating odors originating in livestock and poultry operations. All of this research is directed to reducing soil, water, and air pollution caused by animal wastes.

New laboratories have also been authorized for construction and for planning for soil and water research directed at the pollution problems.

Fifth, let me say how pleased I am that the Department has included in its

estimate \$1.3 million for multiframe livestock surveys. This program, initiated last year, will now involve 16 important livestock States. These States have been selected to provide the minimum coverage required in order to attain a significant improvement in the accuracy of our national estimate for cattle and hogs.

This new technique features probability sampling, utilizing a combination of list and land area survey procedures. In the past, the livestock industry, which is Nebraska's largest, has suffered disastrous consequences as a result of unreliable statistics. The procedures to be followed in this new list system are substantially different from historic methods where estimates were based primarily upon data obtained from lists of farm operators exhibiting a willingness to complete questionnaires received in the mail. The new approach is designed to provide reliable, independent estimates, based on probability sampling, at the lowest cost. It is hoped that these surveys will provide cattle and hog estimates with sampling errors of 1 percent or less for the 16-State area.

In 1969, farm marketing of both crops and livestock totaled \$51.2 billion. Of that total, livestock and livestock products accounted for 54 percent, or \$27.7 billion. Unless we have reliable marketing statistics that will enable advantageous marketing of commodities, somebody is going to get caught short and be exploited. This is something to be avoided if at all possible. It is good that the need for this vital survey program has been realized and that the Department and House have followed through with the program which the Senate fought hard to start last year.

Another item of interest to me and to all of the Great Plains States which face the yearly shortage of boxcars for grain shipment, is a research program on temporary storage of high-moisture feed grains. This research is designed to study moisture changes within grain storage piles, identify active micro-organisms in high-moisture grain storage, test chemicals which may inhibit the development of fungi in high-moisture grain, and evaluates temporary storage procedures and practices for the Great Plains region.

This research hopefully will lead us to better temporary storage systems. While that does not help the transportation system, it will help protect the grain until it can be transported or at least stored properly.

Mr. President, I should like now to comment briefly upon the provisions in the bill for the funding of the Commodity Credit Corporation. I subscribe fully to the remarks made and the analysis made by the Senator from Florida on this subject.

It is also my hope that in future years the Commodity Credit Corporation will be kept on a current basis, so that in all fairness not only to the agriculturalists in the Department of Agriculture but also to the citizens of this country we will all be aware of the exact status of the corporations financial structure and just how it is actually handled.

Mr. President, that concludes my pre-

pared remarks with reference to the bill, and I revert now to the subject I started out with, which is a favorite subject of mine; namely, commenting on the illustrious career of the distinguished senior Senator from Florida (Mr. HOLLAND) in the Senate for almost 24 years.

During those 24 years, he has earned a position of high respect and great esteem among his colleagues. He has acquired wide influence not only among Senators but also in the field of agriculture generally. He enjoys the high respect of the entire Nation.

It has been my privilege to serve with him for 7 years and observe his diligence, his fairness, and the way he ferrets out the necessary information in order to work out a balanced and workable bill to fund Agriculture Department activities.

He has never failed to impress me with his sound, careful, and thoughtful approaches to agricultural problems. His conduct in the hearings and in committee sessions has been a model of efficiency and rewarding productivity which should be emulated by all who are placed in similar positions of authority.

Recently, in a more or less reminiscent mood, the Senator from Florida told me that his father was a farmer, an agriculturalist in Florida, was an enterprising and resourceful fellow. Apparently, he had introduced into the agricultural scene in Florida a great many innovations, new ideas, and new methods of doing things.

The Senator from Florida also told me that his brother was engaged in work as an extension agent in that capacity, and engaged in activities which meant much to the increasing efficiency and productivity of agriculture in Florida.

The Senator from Florida, being a lawyer by profession, was not able to get into the field of agriculture directly, but here in the Senate, certainly with bills on agriculture and appropriations for agriculture, he has done a monumental job nationwide to advance and improve agriculture.

Thus, he has kept up the tremendously fine tradition of the Holland family, so that we are all very grateful to them.

In due time, we shall salute the Senator from Florida even more fervently and gratefully; but, for the present, I confine my remarks to his contribution in agricultural appropriations efforts, in which he has functioned so well.

Mr. HOLLAND. Well, Mr. President, I am so grateful for that gracious statement. I wish I merited it all. If I had known the Senator was going to make that statement, I might have run again for the Senate, because that would have been very helpful to me. As the Senator knows, my age and my health prevent me from running again.

I must add one thing to the very kind things the Senator had to say about my late father and brother. They both had green thumbs. Anything they touched would grow. Exactly the opposite was true about me, so that if I was to do anything for agriculture, it had to be done through some other method. I chose the only method available to me, because

I agree that agriculture is the most important enterprise in the Nation. We have to eat. We have to be clothed. Our tremendous productive capacity gives us the greatest ace in the hole we have in our dealings with the rest of the world.

Thus, it has been a great pleasure to do anything that I could for agriculture.

I certainly do not merit all the kind things which the Senator said about me, but I certainly appreciate them all very much, and I thank him warmly.

Mr. YOUNG of North Dakota. Mr. President, I, too, wish to commend the distinguished senior Senator from Florida (Mr. HOLLAND), chairman of the Subcommittee on Appropriations, and the distinguished senior Senator from Nebraska (Mr. HRUSKA), the ranking minority member of the subcommittee, for the careful consideration they have given to this bill and their effective handling of it, as well as the fairness which they abundantly displayed.

The Senator from Florida (Mr. HOLLAND) is not running for reelection this year. If I were a betting man, I would give big odds that he would be reelected and would be back here in the Senate. But our good friend from Florida has decided not to come back, which I regret very much.

I was very much interested in the comments of the Senator from Nebraska about the Senator from Florida concerning his father and brother. I had not realized that the Senator came from such an agricultural background.

I have often marveled at the intense interest he displayed in the problems of agriculture. I would have understood his motives better all these years, had I known a little bit more about his background.

Mr. President, this Agriculture appropriations bill we are considering today will be the last appropriations bill our beloved and distinguished friend from Florida—Senator SPESSARD HOLLAND—will be handling as chairman.

As chairman of the Senate Subcommittee on Agriculture Appropriations, he has dealt fairly and with great understanding for all agricultural interests. Even though there are some farm programs he is not entirely in accord with, he has always fought hard to provide the funds necessary to operate them as required by law.

Mr. President, I know from experience this Agriculture appropriations bill is one of the most difficult and involved of all of the appropriations bills that we handle. Senator HOLLAND has given his usual great study and careful consideration to the literally hundreds of different items contained in this bill.

Our friend—SPESSARD—has a long and outstanding record in the U.S. Senate extending over a period of nearly a quarter of a century. Before that he was the Governor of Florida—and one of its best. Even previous to that he had a brilliant record in the legislature of his State.

While I am not an attorney, I understand from my attorney friends in the Senate—and they make up about two-thirds of its membership—that SPESSARD HOLLAND is rated as one of the very best in my time. His great ability as a lawyer,

coupled with his hard work and dedication, not only to the interests of the people of Florida, but the entire Nation, has enabled him to establish this truly outstanding record as a U.S. Senator.

Over the years he has been here in the Senate he has handled some of the most difficult legislation, not the least of which was the tidelands oil bill. It was during the handling of this bill, and many other very difficult ones, that he demonstrated his unusual ability as a lawyer advocate and legislator.

I have often said to my friend that, if I ever got into serious trouble, I do not know of anyone I would rather have as my lawyer.

Many Members of the Senate during my time have established good and outstanding records as legislators, but I do not know of a single instance where a Senator was accorded the recognition and appreciation that our friend—SPESSARD HOLLAND—received recently when his friends in the agriculture industry of Florida had a special appreciation day to honor him. I understand from people who were there that more than 3,000 agricultural producers gathered to pay tribute to him—and a well-deserved tribute it was. I do not know of a Member of the Senate who has fought harder or more effectively for the agricultural interests of his State than he.

He has been almost solely responsible for many great public works projects of all kinds in his home State and particularly water projects.

Sometime people tend to think of our friend—Senator HOLLAND—as a conservative and I think his viewpoint on most matters could be so considered. There have been some notable exceptions—one important example was his rewriting of the farm credit laws—laws which, because of his keen thinking, broad knowledge, great ability, and friendly attitude, were made much more liberal and effective. This was a godsend to innumerable farmers. I cite this piece of legislation because it was so typical of SPESSARD HOLLAND.

Mr. President, it is with deep regret that I look toward SPESSARD HOLLAND's leaving the Senate. He has served the Senate and his State for a long, long time and, if anyone deserves a little time for relaxation and to enjoy life more, it is SPESSARD and his most lovely wife, Mary. We need more people in Washington like SPESSARD and Mary—not less. We all wish them well in their future life, and it is our hope and wish that we will be seeing them often in the future.

Mr. HOLLINGS. Mr. President I wish to join my colleagues in paying tribute to the able leadership of the distinguished Senator from Florida, SPESSARD L. HOLLAND. I have served on the Agriculture Committee with Senator HOLLAND and I know that under his guidance and direction the agricultural interests of our Nation have been well served. Although we have disagreed on some aspects of the hunger problem, I have the highest respect for his judgment and his keen logical and analytical approach to legislative problems. There is no Senator who is more diligent in carrying out his legislative responsibilities, both on the floor

of this Chamber and in the committee activity in which he actively participates. His presence in this body will be sorely missed by his colleagues, his constituents, and his Nation.

Mr. HOLLAND. Mr. President, I had no intimation that any such accolades would be bestowed upon me at this time, but I appreciate them very greatly. Indeed, I want to make the record clear on one point, that the Senator from Nebraska and the Senator from North Dakota are two of the best friends any man ever had who had to preside over a subcommittee dealing with agricultural appropriations.

The Senator from Nebraska has been the ranking minority member for the past several years. Prior to that, all the time I served as chairman of the subcommittee, the Senator from North Dakota was the ranking minority member.

No man has ever had more complete and thorough understanding and cooperation from his associates than has existed on the part of these two distinguished Senators whom I count not only as dear friends of mine but also as among the best friends of the soundest agricultural economy that this Nation has ever seen.

I hope that the people of their States recognize that and keep them in the Senate at least until they are the age I have attained, and I hope they may be able to stay here for a longer period of time.

I know that the Nation would be well served as long as they are here. I thank warmly my distinguished friend, the Senator from North Dakota, for his remarks. I wish that I deserved them. I appreciate them greatly.

Mr. ELLENDER. Mr. President, I would like to join my friends and distinguished colleagues in this colloquy. I agree wholeheartedly with what has been said about my good friend SPESSARD HOLLAND.

When he announced that he was not going to run for reelection to the Senate, I did my best to persuade him to change his mind. Even now, I hope that there may still be a chance that he will reconsider.

I know of no other Senator who is more devoted to his work than SPESSARD HOLLAND. He is now the second man in seniority on the Agriculture Committee. He has served the American farmer and consumer well. He is chairman of the Agriculture Subcommittee of the Senate Appropriations Committee, where he has done a marvelous job. He has gone into our rural- and farm-related problems, and familiarized himself with the intricate details necessary to produce each year a fair bill, and a bill that would inure to the benefit of agriculture and the Nation as a whole.

I am proud of the fact that Senator HOLLAND chose to serve on the Agriculture Committee of the Senate as well as on the Appropriations Committee. On those two committees a Senator has the privilege and opportunity of working for the protection and preservation of two of our most important resources—land and water.

It has been my privilege to travel abroad on many occasions. I have long since concluded that only by protecting and preserving these two great resources

can a country provide a good life for its citizens over any length of time. Any country which fails to look after its agricultural base and care for the land itself will be in trouble.

The Senator from Florida has been of immeasurable help on the Committee on Agriculture and Forestry in helping the Congress to achieve this goal. He has always attempted to devise more effective ways and means of protecting and preserving American agriculture as well as our land and water resources.

I regret more than I can say that he will not be with us after January 3 of next year. As I have said, I do not know whether it is yet too late to persuade him to reconsider. He is not too old to continue his service in the Senate. I am very hopeful, SPESSARD, that you might change your mind.

As Senator YOUNG of North Dakota has just stated, I doubt if he would encounter any opposition if he ran again as a candidate for the office of Senator from Florida.

I am very hopeful that his lovely wife, Mary, will see to it that he again presents himself for reelection. I am satisfied that if he does, he will be overwhelmingly reelected. If we cannot persuade him to continue his service in the Senate, there is no doubt that this great body will lose much of the advantage it presently has because the Senator from Florida will not be serving on these two important committees, the Appropriations Committee and the Committee on Agriculture and Forestry.

In addition to the great work of the Senator from Florida on the Appropriations Committee and the Committee on Agriculture and Forestry, he has been one of the leading supporters of the space program, which has brought so much advantage to our country.

I am proud to say that Senator HOLLAND was one of the leaders in the efforts to bring to our country this great glory by making it possible for a representative of our great Nation to be the first man on the moon.

Mr. President, I urge my good friend to come back again to the Senate and to continue doing the job he has so nobly performed in the past.

The ACTING PRESIDENT pro tempore. The Senator from Georgia is recognized.

Mr. TALMADGE. Mr. President, it is a rare privilege indeed to join my colleagues on both sides of the aisle in paying tribute to my friend and neighbor, SPESSARD HOLLAND.

It has been my privilege to know SPESSARD HOLLAND for 30 years, from the time he served as Governor of Florida.

When I came to the Senate, 13½ years ago, I was assigned to the Committee on Agriculture and Forestry. Since that time, I have watched him in his dedicated, courageous, and hard work for the farmers of our Nation.

Senator HOLLAND is one of the hardest working men in the U.S. Senate. He rarely ever misses attending a committee meeting, and then only because he has other committee meetings which may be of more importance or some important previous engagement.

I never cease to be amazed at the alertness of his mind and the vast store of knowledge he has accumulated in his years of service. He has been extremely hard working and has conducted very sound hearings.

It was my privilege to succeed Senator HOLLAND as chairman of the Subcommittee on Agricultural Credit and Rural Electrification. During the time Senator HOLLAND served as chairman of that subcommittee, he reorganized the credit system of agriculture in this Nation and made it farmer owned and farmer operated. That was a great contribution to the rural people of our Nation.

Senator HOLLAND's roots go deep in Georgia. His family migrated from Carroll County, Ga., to Florida. Senator HOLLAND is a native born Floridian, but he attended Emory University, one of our leading universities. He is still a member of the board of trustees of Emory University where his great talent has helped to make it one of the great universities in our Nation.

I was saddened when he announced that he would not seek reelection to the Senate, because I know that his great wisdom, his devotion to duty, his great knowledge, and his great courage have meant much not only to the Senate, but also to the Nation.

Now that he is handling his last appropriations bill, the agriculture appropriation bill, for our Nation and will soon retire to his beautiful, sunny Florida, I join his many friends in the Senate and in Florida and his millions of friends throughout the Nation in wishing him continued good health and happiness so that he and his wife, Mary, can enjoy life with their children and their many grandchildren whom he so seldom has the opportunity to see.

SPESSARD, all of us wish you Godspeed.

The ACTING PRESIDENT pro tempore. The junior Senator from Florida is recognized.

Mr. GURNEY. Mr. President, I join my other colleagues in paying tribute to the senior Senator from Florida on the occasion of his last handling of the appropriations bill for agriculture.

I think that I can say with utter candor and without argument from anyone in the State of Florida that no citizen of our State has ever had a more distinguished career in public service than the senior Senator from Florida.

Almost immediately when he commenced his adult life after college he entered public affairs in the State of Florida. He was a distinguished prosecuting attorney in his younger days, a member of the State legislature—an outstanding member, I might say—a Governor of Florida, of course, and one of the best we ever had, and then there followed his many years in the Senate.

No man from our State has ever made a greater contribution to public life in the State of Florida and no man has ever made a greater contribution to the public life of this Nation than SPESSARD HOLLAND.

Mention has been made here of his decision this year to retire from public office. I can say as a Republican and one who, of course, contends in the political

battleground on the other side from the senior Senator from Florida, that there never would have been any doubt of his reelection if he had decided to run again. I think he has as much support from Republicans in Florida as he does from Democrats. I know that on previous occasions when he has been opposed by members of my party there really was never a contest; there was only a slight exercise until the Senator was reelected.

He is held in tremendous affection by people all over the State of Florida, and that is particularly true in the area of agriculture. If one were to say there is a "Mr. Agriculture" in Florida, it would have to be SPESSARD HOLLAND. He is known by everyone in our State who is in that business. Agriculture is either the first or second business in Florida, depending on who you talk to and when; but it is a major economic factor in our State, whether it is vegetables, citrus or other fruits, tobacco, cattle, or all the other things embraced in agriculture in Florida. People in that business know him not only as a great friend who has espoused that cause year after year in public life in the State, here in the Senate, and in the Nation, but they also know him as one who probably knows more about all of Florida's agriculture than most people do.

As his colleague in the Senate I can say personally that I will miss him when he leaves. He has always been helpful to me, not only in the short time I have been in the Senate but also in the 6 years I served in the House of Representatives. This is true in many little things. Mention was made by the Senator from Georgia of the work output of our colleague. I do not believe anyone in the Senate works harder than he does; and he does it in many little ways other people do not do it. If we have delegations from the State of Florida here, he is never too busy, even with the enormous workload he carries—the committee work and hours he spends on the floor—to meet with our delegations from Florida no matter what walk of life they come from, nor how humble nor great they may be.

Mr. President, this is the sign of a great public servant, one who is interested in helping the people, as well as the fame and glory which goes with being a Member of the Senate.

That is why I think the Senator is so respected and beloved, and I use that word advisedly, by citizens from the State of Florida. I hope when he retires he will spend a long time enjoying life in our State; and it is a wonderful place to live, away from the hurly-burly and the many demands Congress presents to its Members. If anyone ever earned a rest after a distinguished career in public service, it is the senior Senator from Florida.

I certainly join Senators in saying that he will be sorely missed.

(At this point, Mr. EAGLETON assumed the chair.)

Mr. ALLEN. Mr. President, I have had the pleasure of knowing personally the distinguished senior Senator from Florida, SPESSARD HOLLAND, only since coming to the Senate in January 1969. How-

ever, as a member of the Alabama State Legislature, and as Lieutenant Governor of Alabama, it was my privilege to follow Senator HOLLAND's career from the time of his distinguished service as Governor of the great State of Florida, on through his able, distinguished, and illustrious period of service of 24 years in the Senate.

It was my privilege to hear Senator HOLLAND make a great extemporaneous address in Chicago at the 1952 Democratic National Convention. The Democratic Party then, as now, was beset with many differences of opinion, and many things that divided our party. The distinguished senior Senator from Florida made a great speech in which he sought to smooth over some of the differences that existed in the party.

Since coming to the Senate, it has been a great privilege for me to enjoy a close association, I believe, with the distinguished Senator from Florida. Many times I have had occasion to sit at the same table with him at lunch in the Senators' private dining room at the table reserved for Democratic Senators. While I figuratively sit at his feet on those occasions, I do actually sit beside him, and I have enjoyed discussing, and hearing Senator HOLLAND discuss, elaborate upon, point out, and explain to the junior Senator from Alabama, some of the great history and traditions, and the great personalities of the Senate in the years that he has served in the Senate. I have enjoyed and profited greatly by these periods when I experienced this close association with the senior Senator from Florida.

It has been my privilege, too, of serving on the Committee on Agriculture with him. His grasp and great familiarity with the intricate bills that he has mastered and that he presents from time to time on the floor of the Senate have been a constant source of amazement to me. I have been truly amazed with his familiarity and grasp of major bills coming before the Senate that are not his specialty. I have profited by the experience that I have had serving as a junior colleague of the distinguished senior Senator from Florida.

Mr. President, I remember most vividly one of the first matters that the U.S. Senate considered after the junior Senator from Alabama became a Member of this body. It was the consideration of an amendment of Senate rule XXII, which would have allowed the application of cloture on the vote of three-fifths of the Senators present, rather than the two-thirds majority as is required under the Senate rules. The distinguished Senator from Florida led the fight of those who opposed that amendment or that effort to amend the Senate rules.

In the judgment of the junior Senator from Alabama the most important vote that has been taken in the U.S. Senate in the 91st Congress, whether the first session or the second session, was on the appeal by the distinguished senior Senator from Florida from the ruling of the Chair, the then Vice President Hubert Humphrey of Minnesota, under which the then Vice President had ruled that cloture had been applied to debate on the

amendment because, on the motion to apply cloture, a majority of the Members of the Senate had voted to apply cloture. The Vice President ruled that since the vote was taken at the start of the session, a majority of the Senate should not be denied the right to amend the rules of the Senate for that session. The distinguished Senator from Florida appealed from that ruling, and the Senate overturned the ruling of the Chair, deciding in effect that it takes a two-thirds vote rather than a bare majority to apply cloture at the start of a session or any other time.

The Senator from Florida holds the distinction of being the only Member of either body of the Congress who is the son of a veteran of the War Between the States. His father was a teenager who fought alongside Senator HOLLAND's grandfather and was seriously wounded in that war in the battle of Kennesaw Mountain, near Atlanta. The fact that Senator HOLLAND's father and grandfather were Georgians, fighting for their homes and for the South does not make the junior Senator from Alabama think less kindly of the distinguished Senator from Florida.

Mr. President, a man is judged by the company he keeps, by his deeds, by his thoughts and motives, by his dedication and sincerity, by his integrity—yes, and by the books he reads, by the music to which he listens. But, Mr. President, I suggest that a man can be judged by the men he most admires—by who his heroes are. So, the junior Senator from Alabama is proud to be categorized as an admirer of the distinguished senior Senator from Florida.

The distinguished senior Senator from Florida is one of the great Senators of this time or of any other time, and the Senate as an institution and the individual Members of the Senate will miss Senator HOLLAND. The Senate will lose some of its greatness because of his leaving the Senate. It will lose some of its luster as the greatest deliberative body in the world if Senator HOLLAND should leave the Senate at the expiration of his present term.

So it is my privilege to salute the senior Senator from Florida, Mr. SPESSARD HOLLAND, whom I admire greatly, whom the people of Alabama admire and look on as a great U.S. Senator.

Mr. PASTORE. Mr. President, I consider it a great privilege to rise at this time to associate myself with all of our colleagues who have been paying these deserved tributes to my friend and seat-mate, the distinguished Senator from Florida, SPESSARD HOLLAND.

I have been in the Senate now for 20 years. When I came here, SPESSARD HOLLAND was already here. Scholar and soldier—lawyer and statesman, to me, in a great sense, he has been a guiding light. If one characterization is to be made of this fine gentleman from Florida, I must say he is Mr. Integrity of the U.S. Senate. In all my associations in this great body, I have never found a man with more desire and more compelling concern to live by his convictions. It makes no little difference to SPESSARD HOLLAND whether the issue is popular or unpopular; the

only question he has ever sought to answer is, Is it good for my Nation? Is it good for the people of this country?

I have looked upon SPESSARD HOLLAND as an older brother. We two have chatted here and we two have debated here, formally and informally. We have not always agreed, but I have always found him very fair, very just, very understanding, very cooperative, and never in any disagreement has SPESSARD HOLLAND been disagreeable.

It is hard to say that about most men, but one can say it with assurance about SPESSARD HOLLAND.

Yet I must add another note. I think much of his success has been due to the inspiration of his beloved Mary, his devoted wife. We have enjoyed seeing her here in the gallery time and time again sharing our own appreciation of the oratory of SPESSARD HOLLAND—a statesman at work. You could almost see the twinkle in her eye revealing her approbation and her admiration of her distinguished husband.

Truly a family man, he would tell me about his grandchildren and his children and I loved to listen. I think it is a fine thing, because I feel a good family man and husband and parent not only makes a good citizen but, in my humble opinion, he has the qualifications to be a good U.S. Senator.

When SPESSARD HOLLAND leaves the Chamber, something will go along with him. First of all, it will be the affection and love of his colleagues, who respect him in such high degree. But even more than that, as our distinguished colleague, the previous speaker, Mr. ALLEN, has already said, something will pass from the Senate. This may be the day of Aquarius, this may be the age of the young—I am not ready to dispute that—but in our midst we have so many with gray hair who have done so much to make this country what it is for the benefit of those who are younger than we are; and SPESSARD HOLLAND is one of those gentlemen.

I have said that our love and affection goes with him as he leaves this Chamber. In a larger sense that affection will remain here as we stay mindful of his inspiration.

This is an appropriate hour to express our sentiments because there is before us the last appropriation bill that Senator HOLLAND will possibly present before he retires to private life.

I am sure life can never be truly private for a man with such dedication to patriotism and such contribution that the good neighbors and good citizens can still and will make to community, State, and Nation.

And so I say to SPESSARD HOLLAND on this morning, I pray that the Good Lord will grant to you and your beloved wife and your entire family many, many more years of health and happiness.

May they be years of satisfaction as you contemplate your service to mankind.

May they be years of deepest affection now centered in your home. And I sum it all in the ancient yet timely tribute—*ad multos annos*.

Mr. HOLLAND. Mr. President, I am completely overcome by these more than

generous statements. I just want to say first that if I had had any intimation that they were going to be made, you can be sure that Mary, Mrs. Holland, would have been advised and would have been up here in the gallery. I think it is the one thing I regret, because I think my stock would have been raised for the remaining years that I hope we will enjoy together.

I am so grateful to my distinguished colleagues, my junior colleague from Florida (Mr. GURNEY), the Senator from Alabama (Mr. ALLEN), the Senator from Georgia (Mr. TALMADGE), my seatmate, the Senator from Rhode Island (Mr. PASTORE), my distinguished chairman, the Senator from Louisiana (Mr. ELLENDER), who have all been my friends. I have already made some comments with respect to my two friends, the Senator from Nebraska (Mr. HRUSKA) and the Senator from North Dakota (Mr. YOUNG).

I would not want anybody to think that I feel I merit these kind comments, but I just appreciate them more than you will ever know.

May I say this for the record, for nothing else could be said by me. Of course, I shall miss the Senate, though I think that, at 78½—and that is how old I shall be at the end of this year—I am entitled to retire, and that I should retire.

The thing that I shall miss most greatly is the friendship and the kindness of Senators, because there is not a Senator who has spoken with whom I have not, at some time or other, had serious disagreements; and yet the charity, the friendliness, and the brotherliness that prevails here is something that cannot be replaced by anything else that I have ever experienced in life. It is that which I shall miss.

I am grateful to all of you, more than I can say, and I thank you from the bottom of my heart.

Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, and that the bill as thus amended be regarded, for the purpose of further amendment, as original text, provided that no point of order shall be considered to have been waived by reason thereof.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments agreed to en bloc are as follows:

On page 3, line 13, after "\$100", strike out "\$146,143,200" and insert "\$157,346,200"; in line 17 after the word "appropriation", strike out the comma and "except that \$1,000,000 of the foregoing amount shall be available for matching with funds utilized for research under public law 89-502,"; in line 20, after the word "which", strike out "\$1,500,000" and insert "\$3,760,000"; and, on page 4, line 4, after "Public Law 88-250", insert a colon and *Provided further*, That none of the funds appropriated in this Act shall be used to formulate a budget estimate for fiscal 1972 of less than the amount required to conduct the pesticides research program as authorized pursuant to Public Laws 88-573 and 89-316;

On page 4, line 16, after "(21 U.S.C. 1114b-c)", strike out "\$98,619,750" and insert "\$99,369,750"; and, in the same line,

after the word "which", strike out "\$2,000,000" and insert "\$1,500,000".

On page 6, line 20, after the word "including", strike out "\$58,390,000" and insert "\$61,390,000"; at the beginning of line 25, strike out "\$4,012,000" and insert "\$4,412,000"; on page 7, line 2, after "(16 U.S.C. 582a-582a-7)", strike out "\$2,000,000" and insert "\$3,350,000"; and, in line 14, after the word "all", strike out "\$65,076,000" and insert "\$69,826,000".

On page 8, line 1, after "\$48,560,000;", insert "payments for rural development work under section 3 (d) of the Act \$10,400,000;"; and, in line 8, after the word "all", strike out "\$140,031,000" and insert "\$150,431,000".

On page 8, line 18, after the word "employees", strike out "\$13,515,000" and insert "\$12,932,600".

On page 9, line 12, after "(7 U.S.C. 1621-1627)", strike out "\$1,649,000" and insert "\$1,684,000".

On page 10, line 2, after the word "aircraft", strike out "\$128,557,000" and insert "\$128,457,000"; in line 4, after the word "head", strike out the colon and *Provided*, That Public Law 40, Eighty-fourth Congress, making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1956, and for other purposes, is hereby amended by striking out the period following the last proviso in the section entitled "Flood Prevention", substituting a comma and adding the following: "and where the Army does have jurisdiction and responsibility, may enter into agreements with the Army to carry out jointly the measures heretofore set out and in areas where the Secretary is authorized to purchase land rights for structural measures, the Secretary in lieu of such acquisition, may reimburse local organizations for such proportionate share of the cost of land rights furnished by local organizations as the Secretary deems equitable in consideration of the national interest," and, in line 19, after the word *Provided*, strike out *further*.

On page 12, line 12, after the word "expended", strike out "\$6,698,000" and insert "\$5,434,000".

On page 13, at the beginning of line 4, strike out "\$74,278,800" and insert "\$76,000,000".

On page 14, at the beginning of line 11, strike out "\$15,355,000" and insert "\$16,355,000".

On page 14, line 19, after "(16 U.S.C. 590a-f)", strike out "\$13,876,000" and insert "\$14,676,000".

On page 15, at the beginning of line 25, strike out "\$14,592,000" and insert "\$16,228,000".

On page 16, line 21, after the word "laws", strike out "\$17,716,800" and insert "\$17,874,800".

On page 17, line 14, after "\$149,247,000", strike out the comma and "of which \$1,000,000 shall be placed in reserve to be released only when required to carry out the Wholesome Meat Act.

On page 18, line 2, after "(7 U.S.C. 1623 (b))", strike out "\$1,600,000" and insert "\$1,750,000".

On page 19, line 21, after "(42 U.S.C. 1773-1785)", strike out "\$264,428,000" and insert "\$259,428,000"; and, on page 20, line 4, after the word "program", strike out "\$17,500,000" and insert "\$12,500,000".

On page 21, line 11, after "(7 U.S.C. 1766)", strike out "\$24,023,000" and insert "\$24,773,000".

On page 22, line 15, after the word "Corporation", strike out "\$152,690,000" and insert "\$150,000,000".

On page 24, line 20, after the word "to", strike out "\$195,500,000" and insert "\$190,000,000".

On page 26, after line 23, insert:

"INDEMNITY PAYMENTS TO DAIRY FARMERS

"For necessary expenses involved in making payments to dairy farmers who have been directed to remove their milk from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, \$500,000: *Provided*, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of his willful failure to follow procedures prescribed by the Federal Government."

On page 27, after line 7, strike out:

"RURAL COMMUNITY DEVELOPMENT SERVICE
"SALARIES AND EXPENSES

"For necessary expenses, not otherwise provided for, of the Rural Community Development Service in providing leadership and related services in carrying out the rural areas development activities of the Department, \$230,000: *Provided*, That not to exceed \$3,000 shall be available for employment under 5 U.S.C. 3109."

On page 27, line 22, after "5 U.S.C. 3109", strike out "\$15,378,000" and insert "\$12,412,000"; and, in the same line, after the amendment just above stated, insert a comma and "and in addition, not less than \$3,434,000 shall be derived by transfer from appropriation, "Food Stamp Program" and merged with this appropriation."

On page 28, line 7, after "5 U.S.C. 3109", strike out "\$3,508,650" and insert "\$3,748,000".

On page 29, line 16, and after the word "Library", strike out "\$3,614,750" and insert "\$3,914,750".

On page 30, line 6, after the word "Agriculture", strike out "\$3,384,000" and insert "\$3,459,000".

On page 30, line 15, after "5 U.S.C. 3109", strike out "\$5,559,000" and insert "\$6,058,000"; and, in line 21, after the word "Secretary", strike out the colon and *Provided further*, That not to exceed \$269,000 of funds contained in the Working Capital Fund established under authority of Public Law 78-129 may be used to carry out responsibilities under the Civil Rights Act of 1964."

On page 31, at the beginning of line 13, strike out "\$322,000,000" and insert "\$352,000,000"; at the beginning of line 14, strike out "\$123,800,000" and insert "\$138,800,000"; and, in the same line, after the amendment just above stated, strike out the colon and *Provided*, That an additional \$20,000,000 is placed in contingency reserve to be made available by the Bureau of the Budget on the same terms and conditions to the extent that such amount is required during the current fiscal year under the then existing conditions for expeditious and orderly development of the rural electrification and rural telephone programs."

On page 32, line 2, strike out "\$14,613,000" and insert "\$14,896,000".

On page 32, at the beginning of line 15, strike out "\$30,000,000" and insert "\$19,000,000".

On page 33, line 1, after "(7 U.S.C. 1926)", strike out "\$100,000,000" and insert "\$60,000,000".

On page 33, line 10, after "(42 U.S.C. 1490c)", strike out "\$2,125,000" and insert "\$775,000".

On page 33, line 15, after the word "advances", strike out "\$1,000,000" and insert "\$400,000".

On page 34, line 4, after "(40 U.S.C. 461)", strike out "\$81,150,000" and insert "\$84,250,000"; in line 5, after the word "than", strike out "\$3,250,000" and insert "\$2,250,000"; and, in line 10, after the word "amended", strike out the comma and "of which not more than \$250,000 shall be available for the administration of Public Law 91-229".

On page 35, line 20, after "1969", strike out "\$2,863,156,331" and insert "\$3,113,156,331"; and, in line 21, after the word "total", strike out "\$3,113,155,000 and insert "\$3,363,155,000".

On page 37, line 22, after the word "exceed", strike out "\$4,054,000" and insert "\$4,226,000".

Mr. HOLLAND. Mr. President, I have already given notice that I would call up seven amendments. I am sorry that the Senator from Georgia has for the moment left the Chamber. I ask that he be

recalled. These amendments are of particular importance to him, since he handled the very great improvement and enlargement of the school lunch program which was recently passed by the Senate, and which these amendments are intended to fund.

SUMMARY OF FOOD ASSISTANCE PROGRAMS

Mr. President, the committee report (on page 23) carried a comparative summary of financing for child nutrition, special milk, food stamp and transfer from section 32 and section 416 for food

assistance programs administered by the U.S. Department of Agriculture. That table did not reflect the \$216,579,000 in the budget amendments for the child nutrition activities.

I ask unanimous consent that a revised table—which includes the amended amounts pursuant to the increases in Senate Document 91-94—be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FOOD ASSISTANCE PROGRAMS OF THE U.S. DEPARTMENT OF AGRICULTURE

[Program level-dollars in thousands]

Program	Fiscal year 1969	Fiscal year 1970 ¹	Fiscal year 1971		
			Budget estimate, excluding amendments in Senate Doc. 91-94	House bill, excluding amendments in Senate Doc. 91-94	Senate bill
A. Child nutrition program:					
1. Cash grants to States:					
(a) School lunch (sec. 4).....	\$162,034	\$168,041	\$169,721	\$169,721	\$225,000
(b) Free and reduced price lunches (sec. 11).....	54,000	134,800	200,000	200,000	356,400
(c) School breakfast.....	3,500	12,000	15,000	15,000	15,000
(d) Nonfood assistance.....	748	15,000	12,500	17,500	15,000
(e) State administrative expenses.....	153	2,750	2,750	2,750	3,500
(f) Nonschool food program.....	\$ 3,244	\$ 13,572	\$ 15,000	\$ 15,000	\$ 15,000
Total, cash grants.....	223,679	346,163	414,971	419,971	629,900
2. Commodities to States.....	292,107	230,205	264,465	264,465	264,465
3. Nutrition training activities.....					750
4. Federal operating expenses.....	3,995	5,282	5,542	5,542	6,442
Total, child nutrition program.....	519,781	581,650	684,978	689,978	901,557
B. Special milk program:					
1. Milk (direct appropriation).....	102,048	83,314		103,314	103,314
2. Special sec. 32 funds used for milk program.....		20,000			
3. Administrative expenses.....	629	686		686	686
Total, special milk program.....	102,677	104,000		104,000	104,000
Total, child nutrition and special milk programs.....	622,458	685,650	684,978	793,978	1,005,557
C. Family feeding program:					
1. Food stamp program.....	250,981	610,000	1,250,000	1,250,000	1,250,000
2. Direct distribution to families:					
(a) Section 32 commodities.....	192,668	182,015	160,300	160,300	160,300
(b) Financial assistance to States.....	4,154	16,000	19,700	19,700	19,700
(c) Federal direct operation at local level.....	1,300	2,318			
(d) Section 416.....	79,278	61,942	92,745	92,745	92,745
Total, direct distribution to families.....	277,400	262,275	272,745	272,745	272,745
3. Nutrition supplement.....	8,317	33,000	40,000	40,000	40,000
Total, family feeding.....	536,698	905,275	1,562,745	1,562,745	1,562,745
D. Direct distribution to institutions.....	32,227	12,889	26,416	26,416	26,416
E. Nutrition education program ²	9,948	30,000	50,000	50,000	50,000
Total, food assistance program.....	1,201,332	1,633,814	2,324,139	2,433,139	2,644,718

¹ Revised to reflect approval of Public Law 91-207 (Mar. 12, 1970) to provide additional funds for child nutrition program.

² Excludes balances carried forward to succeeding year.

³ Includes administrative expenses.

Note: The Budget estimate and House bill amounts for 1971 shown below do not include the additional amounts requested in Senate Document No. 91-94, submitted on July 1, 1970. These additional amounts were not considered by the House.

Mr. HOLLAND. I have already stated that the supplemental budget item reached us after the markup. However we knew it was imminent, and we were given authority by the full Appropriations Committee to offer this item as an amendment to the committee bill, which I now do.

For the information of Senators and the general public, there was printed in the CONGRESSIONAL RECORD yesterday, July 7, on page S10736, the budget amendment (Senate Document 91-94) pertaining to the additional \$216 million requested for the child nutrition program, a letter from the Secretary of Agriculture summarizing the amounts requested for various purposes, and the justification from the department as to the need and purpose of the additional funds requested, the texts of the seven

proposed amendments to the pending bill to implement this budget request, and a brief explanation of each amendment.

Mr. President, the purpose of these amendments is to raise, by \$216 million plus, the appropriation for the school lunch program, so as to conform to the program which we passed so recently here in Congress, and which has become law through the signature of the President.

Mr. President, I send these seven amendments to the desk at this time, and ask that they be reported. I am perfectly willing to have them considered separately, but it seems to me that it might save time to have them considered en bloc; and, after they are reported, I shall make the request that they be considered en bloc.

The PRESIDING OFFICER. The amendments will be stated.

The assistant legislative clerk read the proposed amendments, as follows:

Page 19, Line 19, following "1751-1761)" insert "; Public Law 91-248"

Page 19, Line 21, strike ", \$259,428,000" and insert "; Public Law 91-248, \$476,007,000"

Page 20, Line 2, strike "\$48,347,000" and insert "\$204,747,000"

Page 20, Line 3, strike the word "schools" and insert "school children"

Page 20, Line 4, strike "\$12,500,000" and insert "\$15,000,000"

Page 20, Line 5, strike "\$750,000" and insert "\$1,500,000"

Page 20, Lines 7 and 8, strike "to remain available until September 30 of the next succeeding fiscal year" and insert ": Provided further, that funds provided herein shall remain available until expended in accordance with section 3 of the National School Lunch Act, as amended"

Mr. HOLLAND. Mr. President, I have already explained that these seven amendments, at various places, in the bill, together provide for an additional \$216 million to fund the increased school lunch program which we recently passed. They are all needed at the various places in the bill to accomplish that single result. I ask unanimous consent, therefore, that they be considered en bloc.

The PRESIDING OFFICER. Is there objection? Without objection, the amendments will be considered en bloc.

Mr. HOLLAND. Mr. President, while I am willing to answer any questions that may be addressed to me, I think that the purpose of these amendments is now well understood; and, unless there are questions, I am ready to have them voted upon by the Senate.

I invite my distinguished friend from Nebraska to make any comments he cares to make at this time.

Mr. HRUSKA. Mr. President, the chairman of the subcommittee and manager of the bill has stated the case well. He has stated the necessity and the basis for these amendments. This Senator is in full accord with them, and supports them. They are occasioned, of course, by the signature into law by President Nixon of Public Law 91-248. It is commonly agreed that they will vastly expand and improve the field in which this law operates. I think we should go forward with them. They have been discussed among the members of the committee, and it was agreed that this is the fashion in which we should approach the situation.

Mr. HOLLAND. I thank my distinguished friend. A full explanation of the matter appears in the item that I placed in the RECORD yesterday, at page S10736 of yesterday's printed RECORD.

Mr. President, I call for a vote on these amendments en bloc.

The PRESIDING OFFICER. The question is on agreeing en bloc to the amendments of the Senator from Florida.

The amendments were agreed to.

Mr. HOLLAND. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLAND. Mr. President, there may be other amendments. I see in the Chamber my distinguished friend from Delaware (Mr. WILLIAMS), with whom I have agreed so long on the matter of requiring full restoration of the depleted borrowing capacity of the Commodity Credit Corporation each year, as required by the law which he authored some years ago.

I am happy to be able to say to him that under this bill, for the first time, we have a complete restoration through last year—the last year on which we have completed audits—of the deficit of the Commodity Credit Corporation. I am happy also to say to him that this comes, not just by action of the committee, but, for the first time, by request of the Bureau of the Budget, which had been requested, as the Senator from Delaware knows, for several years, not only by the present Secretary of Agri-

culture but also by the preceding one, to take just that action.

I hope that we may not only have that item included in the bill, which I know to be in accord with the Senator's desire, but that we may also keep it in conference, because the other body saw fit to reduce that total restoration by \$250 million, which our committee has restored in reporting the bill.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. WILLIAMS of Delaware. I noticed this change in the bill, and I both compliment and thank the Senator from Florida for his attention to this problem.

On the surface this would appear to be a \$250-million increase in appropriations; but, as we have explained many times before in discussing this item, these expenditures have been made, and payment for these expenditures by restoration of funds have to be made under the basic law. Once the expenditures are made it is merely a matter of reimbursing the capital and restoring money that has already been spent.

The objection I had presented heretofore was that we were not giving a true picture to the American taxpayers as to the cost of these programs, and that was the basis of the law we put through with the support of the Senator from Florida, of which I was a sponsor, which required annual appropriation for the full cost of these programs. We have had a little difficulty in past years, as the Senator knows, in getting this deficiency brought up to date, but I am glad that it has been brought up to date now, and I hope the conferees will retain it. In the future I hope we will have full restoration for these items in annual appropriation bills so that we will know exactly what the costs of these programs are.

I remember the situation where for 2 or 3 years this expenditure was left out of the budget to give a false impression that they were reducing the appropriations of the Department of Agriculture by \$2 or \$3 billion.

That represented, not a reduction in budget expenditures but merely a postponement of payments.

The result of that delay was that they became approximately \$5 billion delinquent in making these reimbursements. The money had been spent, and there was no possible chance of recovery. Yet it gave the impression for 2 or 3 years that Congress was reducing the cost of the agricultural programs when in reality we were increasing them. I said that we needed more truth in Government. The Senator from Florida supported that position.

While this action here today looks on the surface like a \$250 million increase, it is in reality not the increase of a dime above what already has been spent under the basic law.

As the Senator from Florida knows, I have been trying for years to change certain features of the basic law which would reduce the cost of these farm programs, and I think it should be done. When we get this bill before us for the new agricultural program I will again be working toward trying to reduce the cost

of this agricultural program. I think it is too high. But once the program has been enacted, once the commitment has been made and the expenditures have been made I think we have no choice but to recognize it, as the committee has done. I compliment both the Senator from Florida and the committee on giving us a little truth in Government on this point, and I hope it will be continued in the future.

Mr. HOLLAND. I thank the distinguished Senator.

I think it would be a source of comfort to both the Senator from Delaware and the Senator from Florida, when we both leave the Senate at the end of this year, if we accomplish, after this fight of about 10 years, what we set out to do about that long ago. We have gone a little at a time. I hope we can have a complete restoration this year, so that those who follow us may not be confronted with the tremendous deficit that had accumulated at the time we started on this matter. It would be a source of comfort to me, at least, if we could accomplish this, and I believe the Senator from Delaware feels the same way.

Mr. WILLIAMS of Delaware. I agree.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. HRUSKA. Mr. President, the happy conclusion to this item, at least for this year, was not achieved without some travail and some great effort. I do know that in the discussions in the committee as well as in the subcommittee, it was a source of great comfort and reassurance to know that we would ultimately have the support of the Senator from Delaware when the matter got to the floor, and it was always forthcoming, with good force and with good effect. So between the two efforts, those of the Senator from Florida and those of the Senator from Delaware, we have achieved a good plan.

I join in the thought that it should thrust itself into the future years in connection with Public Law 480.

Mr. HOLLAND. I thank the Senator for his comments.

Mr. President, I have been advised that the Senator from South Dakota may wish to propose an amendment. I know of no other amendments.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. WILLIAMS of Delaware. The Senator from Illinois has an amendment of which I am cosponsor. Before third reading I would want a quorum call in order to alert his office to have him come to the Chamber. But if other amendments are pending we can go ahead with them.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 1046. An act to protect consumers by providing a civil remedy for misrepresentation of the quality of articles composed in



planned, developed and operated by and for Indians. Altogether, obligational authority for Indian programs run by the Federal Government has increased from a little over \$598 million in Fiscal Year 1970 to almost \$626 million in Fiscal Year 1971.

Finally, I would mention the impact on the Indian population of the series of welfare reform proposals I have sent to the Congress. Because of the high rate of unemployment and underemployment among Indians, there is probably no other group in the country that would be helped as directly and as substantially by programs such as the new Family Assistance Plan and the proposed Family Health Insurance Plan. It is estimated, for example, that more than half of all Indian families would be eligible for Family Assistance benefits and the enactment of this legislation is therefore of critical importance to the American Indian.

This Administration has broken a good deal of new ground with respect to Indian problems in the last 17 months. We have learned many things and as a result we have been able to formulate a new approach to Indian affairs. Throughout this entire process, we have regularly consulted the opinions of the Indian people and their views have played a major role in the formulation of Federal policy.

As we move ahead in this important work, it is essential that the Indian people continue to lead the way by participating in policy development to the greatest possible degree. In order to facilitate such participation, I am asking the Indian members of the National Council on Indian Opportunity to sponsor field hearings throughout the nation in order to establish a continuing dialogue between the Executive branch of government and the Indian population of our country. I have asked the Vice President to see that the first round of field hearings are completed before October.

The recommendations of this Administration represent an historic step forward in Indian policy. We are proposing to break sharply with past approaches to Indian problems. In place of a long series of piecemeal reforms, we suggest a new and coherent strategy. In place of policies which simply call for more spending, we suggest policies which call for wiser spending. In place of policies which oscillate between the deadly extremes of forced termination and constant paternalism, we suggest a policy in which the Federal government and the Indian community play complementary roles.

But most importantly, we have turned from the question of *whether* the Federal government has a responsibility to Indians to the question of *how* that responsibility can best be fulfilled. We have concluded that the Indians will get better programs and that public monies will be more effectively expended if the people who are most affected by these programs are responsible for operating them.

The Indians of America need Federal assistance—this much has long been clear. What has not always been clear, however, is that the Federal government

needs Indian energies and Indian leadership if its assistance is to be effective in improving the conditions of Indian life. It is a new and balanced relationship between the United States government and the first Americans that is at the heart of our approach to Indian problems. And that is why we now approach these problems with new confidence that they will successfully be overcome.

RICHARD NIXON.

THE WHITE HOUSE, July 8, 1970.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1971

The Senate continued with the consideration of the bill (H.R. 17923) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes.

Mr. SMITH of Illinois. Mr. President, I call up my amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 23, line 8, insert the following: after the word "regulations" strike the period, add a colon and the following:

And provided further, That no funds appropriated by this act shall be used to formulate or carry out any price support program (other than for sugar) under which payments aggregating more than \$20,000 under all such programs are made to any person on any crop planted in the fiscal year 1971.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. SMITH of Illinois. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. There is not a sufficient second.

Mr. SMITH of Illinois. Mr. President, I shall defer the request and make it later.

Mr. HOLLAND. Mr. President, if the Senator will yield, I shall be glad in any way I can to aid in getting a quorum for a request for the yeas and nays, when the Senator concludes his presentation.

Mr. SMITH of Illinois. I thank the Senator.

Mr. President, recently I sent a letter to Illinois farmers and farm-connected citizens asking for two things: First, their opinion on a bill I introduced last April 30 limiting farm subsidies to \$20,000 per producer per year. Second, I asked what they thought of the general farm situation.

On the proposal to limit subsidy payments I can report to the Senate that the results were extremely gratifying; on the second, seriously disturbing.

Before discussing the nature of these responses, let me say something about the letters themselves: First of all, late May and early June is planting time in Illinois: Full-time crop farmers are out in the fields from before dawn-up until after dark getting out soybeans and corn; disking, harrowing, applying fertilizer, keeping equipment running, and in their spare time trying to find time to feed the livestock—a job that takes the better part of a day alone in the normal season. As a result, coming home at night and

sitting down to write a letter to his Senator in Washington is a pretty reliable indication that the farmer cares. Moreover, most of the letters are not neatly typed on heavy letterhead stationery by a high-priced secretary; they come in handwritten, on school notebook paper, or on the back of post cards and envelopes or scrawled on lined sheets in the shaky hand of the elderly farmer. They are written by farm wives, themselves tired from part of the day in the field with their husbands and the other part in the kitchen and attending the children. In short, they come from the people—directly, unvarnished with polite phrases or clever suggestions, and completely sincere in what they say to their Senator. Those letters, Mr. President, are what my remarks are based on today—not my opinion, but theirs; not the corporate farm position, neatly phrased by the skilled hand of a lobbyist-lawyer, but the outpouring of expressions from the family farm—the group I am concerned about. I ask unanimous consent that a sampling of these letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

HIGHLAND, ILL.,
May 31, 1970.

DEAR HON. R. T. SMITH: I just want to tell you that myself and all my farm friends are 100% for your bill S. 3782 limiting the subsidy payments to not more than \$20,000 to any one farmer.

Respectfully yours,
HENRY E. WALTER.

RINARD, ILL.,
May 27, 1970.

DEAR MR. SMITH: First of all, let me thank you for your letter of concern for the farm and farmers of this great land of ours.

Not often does a clod buster get a nice letter from a man of your position.

Now for my opinion of the farm situation and the subsidy bill. It is my opinion that any person buying land for investment should not be allowed to draw a subsidy at all. Only people that make their entire living and income from farming or that owned the land before retiring from the farm or farming operation should be allowed subsidy on any farm. And above all, incorporated farm or farming should not be allowed to draw subsidies.

It is my opinion that this is the reason the young farm boys leave the farm. They can't live with the competition of big corporations. And I might add that interest rates are so high a young man just can't borrow from scratch and make it pay.

In general, I think your presentation to the President is about the way I feel. There is one thing that I think the government should not do, is buy and store grain, hold it off the market and when the price for corn for example, gets up to a good price, then they dump bushels of grain on the market to hold the price down deliberately. This has been done in the past and has hurt many farmers in the \$500.00 to \$1,500 bracket and the government had no concern for the farmer only to keep us under government control.

I don't think we as farmers are anyway near on equal terms with any other segment. I think if we were allowed to vote on a bill down here on a grass root level your bill probably would be passed by a large majority. Thank you for accepting my opinion in your consideration. Luck to you from us down here.

Sincerely,

M. E. WHEELER.

CISSNA PARK, ILL.,
May 27, 1970.

DEAR SIR: I was born and raised on the farm and am 67 years old and raised 8 children, sent them all through high school and no further and kept them busy, never once was any of them drunk or even had too much liquor or was in jail and on Sundays took them all to church with me and worked hard all my life 12 months a year. I own 120 acres and still have a mortgage on it, had a good living and didn't waste a thing but we are happy and content, so you can see that we could not have gotten more than our share all we have done is survived. I contact small farmers from five counties every day as I operate a magneto shop on the farm. One farmer told me the other day in our government we don't need a university degree only we need a man that goes to church on Sundays and the old-fashioned way. This man stated was a little more horse sense, which is not taught in colleges you have to get that on your own.

I read your letter over and I will back up every statement you have made and rather than to think about \$20,000 is too low I would rather think it is even plenty high and on the other hand I would rather say this event should never have happened and if it is a human error let us correct it in a hurry before it is too late. As you know the outlook on the farm is pitiful today so many farmers tell me day by day here we have hired a man as secretary of agriculture and paying him big money to help the farmer but instead he is helping only himself and the rich man who really don't need so much help. I say keep these farmers on the farm where they like it and belong as most of them are trained to the job and not much good for anything else. After we got these farmers sold out and moved to town would be hard to get them to go back and get them started over again. Too many city folks seem to think they don't need the farmer but they don't seem to realize that the first step in this country was farming. Let's raise some corn.

Yours very truly,

LEVI A. YOUNG IGNITION SERVICE.

METROPOLIS, ILL.,
May 27, 1970.

Senator RALPH TYLER SMITH,
Washington, D.C.

MR. SMITH: Received your letter yesterday asking opinion on your bill you introduced to become a law for farm payments. I heartily agree with you, that the farm program the past years has only helped the rich farmers and put many small farmers out of business. Many small farms have been bought by the land sharks, and the buildings have been left to go to ruin and the small farmer migrated to the city or urban areas. This is a shame and disgrace. We pay tax on 360 acres, some of it is woods lot and we receive a very small payment on feed grains, and we don't raise any corn. We have hay and soy beans in and about 14 acres wheat and oats. Our feed grain program payment is a little over 700 dollars. Many of our neighbors get less and none that I have heard of near here ever get 1,000. I think \$20,000 is even more than these land sharks need that buy up these small farms just to have the acres to raise their payments. Many people would like to have, and live, raise children in the country. But their allotments are so small that the program doesn't help them. Therefore they sell out and move to the city or urban areas.

I do hope you can help the small farmer so more can live in the country. Something has to take place to stop the land sharks, or we won't have any more country people and cutting their A.S.C.S. large payments is one way it could be done. But there have been so much damage done already to our small farmers it may be too late. I am 100% behind you in trying to get the payments cut

for the large farmers that is all they are interested to get large payments and buy more land.

Yours truly,

Mrs. RAYMOND MITCHELL.

MASCOUTAH, ILL.,
May 30, 1970.

Senator RALPH TYLER SMITH,
U.S. Senate.

DEAR SENATOR SMITH: Thank you for your letter asking for my opinion on farm programs, ceilings, etc.

I am a farmer in St. Clair County. I farm about 700 acres and participate in the wheat and feed grain programs almost to the fullest extent. This 700 acres is ground that I rent from the owners. The total payment for all farms is about \$12,000.00. Of this I get about \$8,000. As a rough estimate, I figure the total payment is broken into 3 parts (in my particular case): $\frac{1}{3}$ to landlord (he has no expense other than taxes), $\frac{1}{3}$ to cover my expenses to meet the requirements of the program and $\frac{1}{3}$ profit for me. These percentages may vary from time to time but I believe what I have stated to be real close.

I hire very little help, I have a 15 year old son who helps a lot when he isn't in school. I clear about 7 to 10,000 dollars per year on this operation and work too hard. I am not afraid of work but I know when I am working at least 3 times as hard as some of my friends who earn more.

I thought you may be interested in the above facts for your study of the problem.

Now my answer to your question. I do believe that there should be a limit on program payments. I believe \$20,000 is too low and would think that about \$35-\$40,000 would be a better figure.

I also believe that payments should be higher for the smaller farmers.

I do not believe I should have to farm 700 acres to make a decent living. I am 46 years old, six feet one inch tall and weigh 210 lbs. and in good health. I do know that I cannot keep this pace much longer.

I think the present wheat and feed grain programs are pretty decent but would recommend higher payments for small farms (less than 500 acres).

One thing I failed to mention is that my financial statement to my banker shows a machinery investment of \$35-\$40,000. I also pay \$360 personal property tax. Many people (my doctor for example pays \$13 tax on his personal property that he earns his living with), pay little or no tax on the tools they earn their living with.

Thank you for your time to read this and your interest in farm programs.

Yours truly,

ROBERT GRODEON.

MR. SMITH of Illinois. Mr. President, better than 90 percent of the thousands who took the time to write personal letters to me strongly favored a ceiling of \$20,000 or less on crop subsidies. Their feelings were far from lukewarm on this subject. These farmers—the actual recipients of the subsidy payments, used terms like “long overdue,” or “100 percent behind you,” and “definitely favor,” “with you all the way.” Although I expected the majority of Illinois citizens—farmers and nonfarmers alike—to favor the bill, I confess I was surprised at the depth of their opposition to million-dollar payments to one-half of 1 percent of the subsidy payees. In fact, many who wrote urged the Government to get out of farming entirely, and pointed to chronically low prices for commodities presently covered by Government programs

as contrasted to the healthy character of farm products still operating unshackled by ponderous Federal regulation.

In my letter to Illinois citizens, I had pointed out that the average ASC payment was approximately \$1,450, and fully one-third of all recipients receive less than \$500, while 0.51 percent receiving over \$20,000 each hog, about 14 percent of all subsidy payments. Many who read this letter were totally ignorant of the grossly disproportionate payments to the few and the rich. It would be fair to say, Mr. President, that their consensus was that the Government was only trying to make the rich richer, while the poor got poorer. Men who had farmed 50 and 60 years and never received more than a few hundred dollars per year from subsidy payments were naturally opposed both to the concept and the practice of subsidizing giant corporate farms and agribusinessmen.

Mr. President, farmers as a group are not generally “outraged” about things; as a hardworking, frugal, and loyal segment of our population, farm families generally leave it to their city cousins to march in demonstrations, petition the Government, or write strongly worded letters to their Congressmen, Senators, or the President. As a result, I was deeply impressed when they responded so forcefully to a proposed measure to limit crop subsidy payments. And I am particularly impressed when that measure provides for cutting Government payments to their own industry, as my bill would do.

Unquestionably the most striking thing about this response is this: The vast majority of farmers—the very ones for whom the subsidy payments were designed, are violently and wholeheartedly opposed to parceling out single payments over \$20,000 to a producer per year. The point is clear: Even the intended recipients do not want this Government money going to the giant organizations—much less the 98½ percent of the taxpayers who do not get a dime in crop subsidies.

Mr. President, on April 30 I introduced S. 3782 which would limit the total Federal farm subsidy payments to \$20,000 for each producer per year. This measure would amend title I of the Agriculture Act of 1941 to terminate once and for all the shocking and excessive sums paid to the very few, but very rich, corporate farms and agribusinessmen who annually collect up to \$4 million each for not planting crops.

MR. ELLENDER. Mr. President, will the Senator yield?

MR. SMITH of Illinois. I yield.

MR. ELLENDER. Mr. President, will the Senator tell us how many of those rich ones are from Illinois?

MR. SMITH of Illinois. Not one.

MR. ELLENDER. Not one. Does the Senator know that the corn growers have always been opposed to any kind of program?

MR. SMITH of Illinois. It is my understanding from figures I have that only one-tenth of 1 percent of the corn growers in the Nation receive payments of

over \$20,000, which may implement what the Senator said. Practically all corn-growers are small farmers. We have very few large farms growing very much corn and other feed grains in Illinois.

Mr. ELLENDER. I do not wonder why they are opposed to this.

Mr. SMITH of Illinois. Of course, there are obviously reasons why people are for or against any proposition. I am simply relating the reaction from people in my State to my sampling of their opinions.

Mr. ELLENDER. As I recall, the corn-growers of the country are always the "blue-eyed girls" of this program; they profit by it but they want no regulation. That was not true for wheat, cotton, tobacco, and other regulated crops. The corn-growers are the only ones who write and talk about opposing any kind of regulation.

But they all want the benefits, direct or indirect, of price supports. The feed grain program is entirely voluntary while the cotton program, for example, is mandatory. In cotton there are acreage controls which restrict the planting of each and every cotton farmer. Furthermore, cotton prices are way below cost of production for most if not all producers. Corn prices on the other hand are at profitable levels in most cases. On June 15, 1970, prices received by farmers for corn average \$1.21 per bushel or 68 percent of parity. Cotton on the other hand brought farmers only 22.4 cents per pound or 45 percent of parity.

But, equally important is the fact that no new program for the named crops has been formulated for 1971 and thereafter. The existing law under which payments are made expires with the 1970 crop. If no legislation is enacted the old cotton and feed grain programs which would be effective do not provide for payments, while certificates are authorized in the case of wheat with the cost of certificates to be borne by millers. So the Senator from Illinois, in effect, is trying to usurp the Senate Committee on Agriculture and forestry prerogatives in its deliberation and formulation of a new program for 1971 and thereafter.

But, the committee has the responsibility for the formulation of a program. Extensive hearings have been held. The Secretary of Agriculture has testified. The House Committee on Agriculture is now in the process of writing up a bill. The Senate will follow. I can assure all present that the Senate committee will present to the Senate a forward looking bill. A bill that will aid producers in maintaining a strong and viable agriculture, and one which will energize the rural communities in their economic endeavors. We must maintain a strong agriculture so that the future needs of this great country can be met. But an amendment of this sort, on an appropriation bill will inhibit agriculture and add to the woes of our rural communities.

That may be the reason why they are for the \$20,000 limitation—because none of them get above that. It is just selfishness on their part, in my opinion.

Mr. SMITH of Illinois. Mr. President, since the Senator raises the question, I might point out, as a matter of pride, that Iowa, the State where the tall corn grows is not the No. 1 producer of corn any more. My State of Illinois is now the No. 1 producer of corn. I say that in response to the question of a Senator representing a great corn-growing State.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. SMITH of Illinois. I yield.

Mr. WILLIAMS of Delaware. As a cosponsor of the amendment, I think we can point out that there is another large group of people who are cosponsoring the amendment, and that is the American taxpayers, who are putting up the money to subsidize a large number of corporate-type farms, which subject I shall discuss later, some of which are banks.

I have before me the name of the Southern National Bank of Lebanon, S.C., which received a subsidy of \$224,000 for not farming. I have the names of several other banks here. Standard Oil Co. received a subsidy of \$127,000 not to farm. These are not corn growers; I am sure of that.

Just how Standard Oil or some of these banks can qualify as small farmers is something that has not yet been explained to my satisfaction. I think it would be well to point out that there are millions of American taxpayers who are vitally interested in cutting down the cost of a program in which the primary business of the group collecting the money is not cultivating farms, but cultivating the Treasury of the United States. That is their farming operation.

Mr. SMITH of Illinois. I thank the distinguished Senator from Delaware. Of course, he has led the fight in this body over the years to restore an equitable, commonsense approach to farm subsidies. I am very grateful to him for his kindness in allowing me to present this amendment and equally grateful to him for cosponsoring it, as he has done.

Mr. President, I am today calling up an amendment to the Agriculture Appropriations Act to the same effect.

The idea of limiting crop subsidy payments is not new. As I just indicated, the distinguished senior Senator from Delaware has long led the fight to restore an equitable, commonsense approach to farm subsidies. I am indeed very proud to note his cosponsorship of my amendment.

Mr. President, I believe I am among the first Members of this body from a prominent agricultural State to initiate legislation for a dollar ceiling on farm subsidies. I have taken this step because I believe it is time the Federal Government stopped contributing to the trend toward bigness in agriculture. As far as I am concerned, There are already too many independent forces at work encouraging heavy concentration in large farm corporations or agribusinesses: The high price of land and equipment requires immense capital outlay. Intense mechanization requires far greater acre-

age for full machinery utilization. Consistently lower per-unit prices for farm products necessitate bigger volume to support the producer.

All these forces by their nature are the consequence of the technological revolution in agriculture and are virtually beyond effective Government direction. The ceiling the Federal Government chooses to pay individual farming units for not planting is directly within its control, and I propose to do something about it—now.

Numerically, very few farming units will be affected by a subsidy ceiling. Less than 13,000 agribusinessmen out of the 2½ million subsidy recipients in 1969 received more than \$20,000 in subsidies. Broken down by crop, the growers of approximately 2 percent of all feed grains, 3 to 4 percent of all wheat, and about 28 percent of all cotton would be affected by my proposal.

Who are these 13,000 producers? We know this: In 1969 eight subsidy payments were in excess of \$1 million. A high percentage went to corporations. Among those receiving more than \$20,000, as just pointed out by the Senator from Delaware, are many large, nonfarm corporations like Standard Oil, Reynolds Aluminum, and others. A substantial number of banks, several State prison farms, and even State governments share in the Federal largess under a program designed and intended to strengthen the rural family farm. The startling truth is that altogether, a mere 0.51 percent of subsidy recipients collected 13.77 percent of all payments—for a total of \$508,622,613. Compare that statistic with these: More than a third of all subsidy payees—approximately 1.1 million farmers out of 2,525,800 payees in 1969—received less than \$500 in payments. In all, in 1969, the average participating farmer was paid \$1,463.57.

We are already paying \$3.7 billion in annual farm subsidies. Fourteen percent of that amount is going to one-half of 1 percent of participating farmers. Thus, giant corporate farms continue to multiply, feeding on the small farm and the taxpayer dollar. The number of payees receiving in excess of \$20,000 has gone up 30 percent in 1 year alone, and the trend is expected to continue unless it is checked by strong congressional action now.

Mr. President, my amendment will do more than apportion farm subsidies equitably: It will save taxpayers money—approximately \$350 to \$400 million annually.

At this point, Mr. President, I ask unanimous consent that a series of tables, compiled by the Department of Agriculture, and setting out the distribution of farm-subsidy payments, and a report by Mr. John Schnittker on this question, be included at this point in the RECORD.

There being no objection, the tables and report were ordered to be printed in the RECORD, as follows:

TABLE 1.—FREQUENCY DISTRIBUTION OF PRODUCER PAYMENTS UNDER ASCS PROGRAMS,¹ UNITED STATES, CALENDAR YEAR 1969

Producers							Producers						
			Total amount of payments							Total amount of payments			
			Cumulative			Cumulative			Cumulative				Cumulative
Payment range	Number	Percent distribution	percent distribution	Million dollars	Percent distribution	percent distribution	Payment range	Number	Percent distribution	percent distribution	Million dollars	Percent distribution	percent distribution
Less than \$100	350,126	13.9	13.9	16.1	0.4	0.4	\$20,000 to \$24,999	4,525	.2	99.6	100.7	2.7	89.1
\$100 to \$199	257,134	10.2	24.1	38.0	1.0	1.4	\$25,000 to \$29,999	2,637	.1	99.7	72.0	1.9	91.0
\$200 to \$499	538,937	21.4	45.4	181.5	4.9	6.3	\$30,000 to \$49,999	3,808	.2	99.9	142.3	3.9	94.9
\$500 to \$699	246,780	9.8	55.3	146.6	4.0	10.3	\$50,000 to \$99,999	1,533	.1	100.0	99.9	2.7	97.6
\$700 to \$999	262,461	10.4	65.7	220.4	6.0	16.3	\$100,000 to \$499,999	396	(2)	100.0	66.9	1.8	99.4
\$1,000 to \$1,999	419,054	16.6	82.3	586.6	15.9	32.2	\$500,000 to \$999,999	14	(2)	100.0	8.9	.2	99.6
\$2,000 to \$2,999	164,814	6.5	88.8	402.6	10.9	43.1	\$1,000,000 and over	8	(2)	100.0	16.0	.4	100.0
\$3,000 to \$3,999	88,613	3.5	92.3	306.0	8.3	51.4							
\$4,000 to \$4,999	53,217	2.1	94.4	237.4	6.4	57.8	Subtotal	2,517,304	100.0		3,695.2	100.0	
\$5,000 to \$7,499	64,181	2.6	97.0	388.2	10.5	68.3	Undistributed funds ^a				99.8		
\$7,500 to \$9,999	27,322	1.1	98.1	235.1	6.4	74.7							
\$10,000 to \$14,999	22,556	.9	99.0	272.1	7.4	82.1	Total	2,517,304			3,795.0		
\$15,000 to \$19,999	9,188	.4	99.4	157.9	4.3	86.4							

¹ Includes payments under following ASCS programs: cotton, feed grain, wheat, wool, sugar, milk indemnity, agricultural conservation, emergency conservation, appalachia, cropland conversion, conservation reserve, and cropland adjustment.

² Less than 0.05 percent.

³ Includes approximately \$88,000,000 to 90,000,000 ACP (CMS advances) cost-sharing made

directly to vendors and not accountable to individual farm operators; wool promotional fund; payments to unidentified producers, etc.

Note: Sum of individual percentages and individual total amount of payments may differ from totals shown because of rounding.

TABLE 2.—PRODUCERS EARNING ASCS PROGRAM PAYMENTS GREATER THAN INDICATED AMOUNTS, SPECIFIED PROGRAMS, CALENDAR YEAR 1969¹

Producers receiving				Producers receiving			
Program	All producers	\$10,000 or more ²	\$20,000 or more ²	Program	All producers	\$10,000 or more ²	\$20,000 or more ²
All programs	2,517,304	44,665	12,921	Wool	193,544	897	243
Cotton	445,155	17,008	6,194	Sugar	29,971	1,039	290
Feed grain	1,641,863	8,378	1,482	Cotton, feed grain, and wheat total	2,125,491	40,007	11,733
Wheat	995,371	6,797	1,123	Cotton, feed grain, wheat, wool, and sugar total	2,252,287	42,570	12,499

¹ This table summarizes participating producers by programs and combinations as shown. The "all programs" line includes the 11 programs: Cotton, feed grain, wheat, wool, sugar, cropland

adjustment, agricultural conservation, emergency conservation, Appalachia, cropland conversion and conservation reserve; but excludes commodity loans.

² See other tables for a breakdown of these data by states.

TABLE 3.—NUMBER OF PRODUCERS AND AMOUNT OF PAYMENTS BY SIZE OF PAYMENT, FOR EACH OF 5 PROGRAMS AND SELECTED PROGRAM COMBINATIONS, CALENDAR YEAR 1969

Program	Payments of indicated amount or more					
	\$3,000	\$5,000	\$10,000	\$20,000	\$30,000	\$50,000
Cotton:						
Number	56,446	36,583	17,008	6,194	3,075	1,141
Amount (\$1,000)	626,479	549,531	412,229	262,623	187,072	113,808
Feed grain:						
Number	104,608	39,726	8,378	1,482	478	115
Amount (\$1,000)	593,454	347,447	138,657	48,212	24,252	10,750
Wheat:						
Number	63,500	28,078	6,797	1,123	309	72
Amount (\$1,000)	388,373	252,955	109,148	34,131	14,716	6,002
Wool:						
Number	3,780	2,262	897	243	90	25
Amount (\$1,000)	32,100	26,247	16,638	7,681	4,019	1,584
Sugar:						
Number	5,380	3,022	1,039	290	140	74
Amount (\$1,000)	56,302	45,557	32,031	21,852	18,295	15,794
Cotton, feed grain, and wheat:						
Number	250,334	122,110	40,007	11,733	5,170	1,734
Amount (\$1,000)	1,884,350	1,393,460	834,484	451,444	293,049	164,223
Cotton, feed grain, wheat, wool, and sugar:						
Number	261,038	128,518	42,570	12,499	5,567	1,904
Amount (\$1,000)	1,993,752	1,486,168	900,543	492,942	325,688	188,449

TABLE 8.—PRODUCERS EARNING \$20,000 OR MORE FROM SPECIFIED PROGRAMS, 1969

State	All pro-grams						Cotton, feed grain, and wheat	Cotton, feed grain, wheat, wool and sugar
	Cotton	Feed grain	Wheat	Wool	Sugar			
Alabama	327	244	5				317	317
Arizona	624	541	33	1	8	2	602	621
Arkansas	663	633		2			650	650
California	1,179	883	93	46	24	110	1,017	1,163
Colorado	287		36	91	16	7	238	271
Delaware	2						1	1
Florida	56	2	5			46	9	55
Georgia	377	178	31	1			344	344
Hawaii	27					27		27
Idaho	164		1	81	23	21	94	159
Illinois	152		108	2			136	136
Indiana	106		78				97	97
Iowa	118		110	1			112	113
Kansas	401		54	94		4	361	384
Kentucky	19		7				17	17
Louisiana	384	288				63	306	380
Maine	1					1		1
Maryland	7		3				7	7
Michigan	20		8				14	17
Minnesota	120		52	6		1	77	116
Mississippi	1,383	1,313	5	1			1,377	1,377
Missouri	259	65	78				240	241
Montana	201			143	8		169	185
Nebraska	222		120	14	1	1	197	206
Nevada	14	2		3	9		5	14
New Jersey	1						1	1
New Mexico	369	96	79	53	9		332	345
New York	9		1				7	9
North Carolina	88	38	14				85	85
North Dakota	139		4	49			109	125
Ohio	43		18	2			34	38
Oklahoma	179	29	6	37			177	177
Oregon	91		2	69	2	3	84	91
Pennsylvania	9		7				9	9

State	All programs	Cotton	Feed grain	Wheat	Wool	Sugar	Cotton, feed grain, and wheat	Cotton, feed grain, wheat, wool and sugar
South Carolina	294	201	6				277	277
South Dakota	86		12	25	2		64	68
Tennessee	121	82	3				120	120
Texas	4,001	1,599	480	176	67	1	3,782	3,897
Utah	35			12	14	1	16	33
Virginia	4		2				2	2

State	All programs	Cotton	Feed grain	Wheat	Wool	Sugar	Cotton, feed grain, and wheat	Cotton, feed grain, wheat, wool and sugar
Washington	256		3	212	5	2	225	246
Wisconsin	22		18				18	18
Wyoming	61			2	55		4	59
U.S. total	12,921	6,194	1,482	1,123	243	290	11,733	12,499

PAYMENTS TO PRODUCERS EARNING \$20,000 OR MORE FROM SPECIFIED PROGRAMS, 1969

[In thousands of dollars]

State	Cotton	Feed grain	Wheat	Wool	Sugar	Cotton, feed grain, wheat, wool and sugar
Alabama	7,674	140				10,221
Arizona	31,413	1,306	48	206	47	36,399
Arkansas	23,161		69			24,062
California	58,378	6,296	1,571	869	3,488	77,665
Colorado		1,128	2,785	534		8,988
Delaware						21
Florida	70	129			4,382	4,641
Georgia	5,568	806	22			10,804
Hawaii						9,733
Idaho		27	2,563	705		5,221
Illinois		3,144	59			4,055
Indiana		2,406				3,066
Iowa		3,179	20			3,309
Kansas		1,443	2,508		100	11,241
Kentucky		202				476
Louisiana					2,831	13,695
Maine	9,696					125
Maryland						182
Michigan		81				443
Minnesota		1,394	162		26	3,172
Mississippi	55,584	133	22			58,453
Missouri	1,935	2,434				7,478

State	Cotton	Feed grain	Wheat	Wool	Sugar	Cotton, feed grain, wheat, wool and sugar
Montana			4,692	204		5,832
Nebraska		3,431	392	39	21	6,009
Nevada	153		134	289		580
New Jersey						20
New Mexico	2,951	2,448	1,794	241		11,957
New York		32				255
North Carolina	1,493	603				3,164
North Dakota		126	1,370			3,511
Ohio		500	48			1,070
Oklahoma	848	178	1,021			5,093
Oregon		75	1,995	59	97	2,632
Pennsylvania		248				343
South Carolina	6,831	160				9,433
South Dakota		308	745	56		1,985
Tennessee	2,592	73				3,817
Texas	54,275	14,915	5,336	1,931	20	132,709
Utah			338	622	21	1,146
Virginia		81				81
Washington		75	6,365	140	43	7,373
Wisconsin		524				545
Wyoming			71	1,786		1,940
U.S. total	262,623	48,212	34,131	7,681	21,852	492,942

TABLE 12.—AMOUNT OF PAYMENTS IN EXCESS OF \$19,999 UNDER COTTON, FEED GRAIN, WHEAT, WOOL AND SUGAR PROGRAMS, IN SELECTED STATES¹, CALENDAR YEAR 1969

[In millions of dollars]

State	Total	Cotton	Feed grain	Wheat	Wool	Sugar
1. Texas	76.4	54.3	14.9	5.3	1.9	
2. California	70.7	58.4	6.3	1.6	.9	3.5
3. Mississippi	55.7	55.6	.1			
4. Arizona	32.9	31.4	1.3		.2	
5. Arkansas	23.3	23.2		.1		
6. Louisiana	12.5	9.7				1.8
7. Hawaii	9.7					9.7
8. Alabama	7.8	7.7	.1			
9. New Mexico	7.4	3.0	2.4	1.8	.2	
10. South Carolina	7.0	6.8	.2			
11. Washington	6.6		.1	6.4	.1	
12. Georgia	6.4	5.6	.8			
13. Montana	4.9			4.7	.2	
14. Florida	4.6	.1	.1			4.4
15. Colorado	4.5		1.1	2.8	.5	.2
16. Missouri	4.3	1.9	2.4			

State	Total	Cotton	Feed grain	Wheat	Wool	Sugar
17. Idaho	4.0			2.6	0.7	0.7
18. Kansas	4.0		1.4	2.5		.1
19. Nebraska	3.8		3.4	.4		
20. Iowa	3.2		3.2			
21. Illinois	3.2		3.1	.1		
22. Tennessee	2.7	2.6	.1			
23. Indiana	2.4		2.4			
24. Oregon	2.3		.1	2.0	.1	.1
25. North Carolina	2.1	1.5	.6			
26. Oklahoma	2.0	.8	.2	1.0		
27. Wyoming	1.9			.1	1.8	
28. Minnesota	1.6		1.4	.2		
29. North Dakota	1.5		.1	1.4		
30. South Dakota	1.1		.3	.7	.1	
U.S. total	374.5	262.6	48.2	34.1	7.7	21.9

¹ Where total payments in excess of \$19,999 on the above programs exceed \$1,000,000 for any State.

[Schnittker study, Nov. 27, 1968]

LIMITING FARM PROGRAM PAYMENTS
SUMMARY AND CONCLUSIONS

Payments to producers under existing price support and acreage control programs for feed grains, wheat, cotton, wool, and sugar could be limited to around \$20,000 per farm for all payments, or to \$10,000 per program without serious adverse effects on production or on the effectiveness of production adjustment programs. Difficult administrative problems would arise, however, as producers would seek to avoid the limits by dividing large farms into smaller units.

Whatever the level of payment limits, cotton producers would be affected in greatest number. Few wheat and feed grain producers would be affected, and the impact on the industry would be negligible at the maximum payment levels examined here.

Budget savings ranging from \$200 to nearly \$300 million could be made with limits at levels examined here, if the law could be administered firmly. However, if either Congress in amending the law to authorize payment limits, or the Secretary of Agriculture in his administration of the law, took a relaxed attitude toward dividing farms into smaller units to avoid payment limits, much of the potential savings would be lost.

INTRODUCTION

Agricultural price and income support programs originally were undertaken in the 1930's to improve prices and income for the average family farmer. They continue to be primarily supply adjustment and price support programs designed to achieve higher incomes for farm families producing the bulk of farm commodities marketed. Clearly, the more a farmer produced, the more he bene-

fited from the higher prices per unit achieved through price support operations.

The farm programs have not generally been considered by the Congress as welfare programs, to be adjusted to the income needs of individual families. Some program changes in recent years, however, have moved in this direction.

Direct payments geared to output became important in the 1960's. By this time, however, there were far more large farms than in 1930—hence an increasing concentration of payments. Recent efforts to limit farm program benefits have arisen both out of this increase in farm size and greater use of direct payments.

Limitations on farm program benefits have been proposed from time to time, and some have been adopted. Congress provided a sliding scale, but no upper limit for payments under the Sugar Act of 1934. Statutory limits

on the size of Agricultural Conservation Program payments, and administrative limits established by the Secretary of Agriculture have been in effect from time to time since 1938. A \$2,500 limitation per producer is in effect for Agricultural Conservation Program payments. There also were payment limitations in the Conservation Reserve Program of the Soil Bank in the 1950's, and in the pilot Cropland Conservation Program in the 1960's.

Proposals were made largely in the 1950's to limit the size of price support loans. In the 1960's efforts have been made to limit the amount of direct cash payments to individual producers (apart from loans)—but none have been successful. In August 1968, however, the House of Representatives approved an amendment to the proposed Food and Agriculture Act of 1968, which would have limited combined payments to any individual under all the farm programs to \$20,000 per year. This amendment was not accepted by the Senate and was deleted by the Conference Committee; it generated a great deal of interest, however. Payment limitations will probably be on the Congressional agenda for 1969.

Effective opposition in the Congress and the Executive Branch to proposals to limit loans and payments under the commodity programs in recent years has been based on two factors:

Limiting price support loans could make price support less effective in some years, if eligible smaller farmers did not place enough of their products under loan to bring market prices up to support levels. Resulting lower market prices would have an adverse effect on all producers—large or small. This objection is valid but not very important, since most producers would have full access to price support.

One cannot build a strong economic case for or against limiting the size of price support loans. Limiting price support loans may have merit, however, as public relations for farmers. It would limit direct benefits to large growers, but would scarcely affect actual benefits to them.

Refusing to make fairly large acreage diversion and price support payments to individual farmers would reduce the effectiveness of voluntary production adjustment programs, slow surplus disposal and delay price recovery.

This argument was most valid when the surplus disposal task was greatest in the early 1960's. It is less important in 1969 than it was in 1965, for example. For reasons cited later, this line of argument is no longer a conclusive objection to payment limitations, unless they were to be applied at levels much lower than examined here.

One additional example is useful as background. In the Sugar Act Program, payments have been made on a sliding scale. No upper limit is set and a few individual payments are around \$1,000,000 each year.

Producers who plant within the sugarcane or sugarbeet acreage allotment set by the Secretary, and meet specified conditions with respect to farm labor, qualify for payment at the rate of 80 cents per 100 pounds of sugar produced up to 350 tons per farm or per person.

The statutory rate of payment per 100 pounds of sugar for larger producers is:

350 to 700 tons.....	\$0.75
700 to 1,000 tons.....	.70
1,000 to 1,500 tons.....	.60
1,500 to 3,000 tons.....	.55
3,000 to 6,000 tons.....	.525
6,000 to 12,000 tons.....	.50
12,000 to 30,000 tons.....	.475
More than 30,000 tons.....	.30

This schedule provides some disincentive to large growers, although not enough to prevent considerable concentration of sugar production.

INCREASED USE OF PAYMENT PROGRAMS

The use of direct Government payments to producers has increased sharply in recent years. Payments were added to existing price support programs as a shift was made from relatively high price support levels to price supports at or near world price levels.

One key reason for direct cash payments was to maintain farmer income. Payments were also the main incentive for farmers to reduce their acreages of certain crops, as a voluntary acreage reduction program became the first effective production restraint for feed grains, replaced mandatory acreage allotments for wheat, and supplemented the long-standing mandatory program for cotton.

These differences in approach for the three big commodities arose more out of history than from differences among the crops or the areas producing the crops. Congress had provided for mandatory acreage allotments for corn in 1938. The procedure had never been used, however, because of the likelihood that less than two-thirds of the producers would vote for the mandatory quota penalties necessary to enforce acreage allotments. It was repeated in the late 1950's. Thus, when corn surpluses had to be curbed in 1961, Congress approved the voluntary, payment-based approach recommended by the Administration.

In the voluntary acreage adjustment programs, wheat-marketing certificates, price support and acreage diversion payments for feed grains and cotton, and non-recourse price support loans are available only to growers who meet the acreage diversion requirements established for that year by the Secretary of Agriculture.

Payment programs for wheat and cotton have similar origins, although the legislative struggle in cotton was limited to recent years, while it dates back many years for wheat. Market prices for both crops were supported far above world levels in the 1960's. U.S. wheat and cotton could sell abroad in this period only with large export subsidies.

Wheat growers had agitated for many years for a "2-price plan"—a shorthand term meaning relatively low prices in the market supplemented by payments on that part of the crop used as food in the U.S.

In addition, manmade fibers were fast replacing cotton in the U.S., and it was argued that lower cotton prices would stop or slow that trend. In both cases, farm income would have dropped sharply when price supports were reduced, except for the introduction of direct payments.

Viewed functionally, most payments under the cotton and wheat programs today are income supplements. They are set by law at substantially higher levels than would be required as incentives to assure enough participation by farmers to stabilize commodity carryover. In both cases, either total payments, or payments to large farms, could be reduced substantially (by about one-third) with little effect on acreage and production.

Feed grain program payments, however, are closely scaled to the incentive levels required to achieve the objective of a fairly stable reserve carryover. If total payments to feed grain growers were to be reduced in the years just ahead, larger surpluses would soon accumulate, unless the level at which market prices were supported was also reduced, in order to increase feed grain utilization.

Utilizing these programs, stocks of farm commodities owned by the Commodity Credit Corporation (CCC) were reduced from \$5.6 billion in July 1961 to less than \$1 billion in July 1968. Production has not been reduced for each crop each year. But production has been held below potential levels.

Coupled with expanding demand, especially for grains, reducing the acreage harvested has been one of the chief engines of surplus disposal.

Direct payments to farmers increased from \$702 million in 1960 to an estimated \$3.4 billion in 1968. Much of the increase in Government payments was offset by reductions in CCC expenditures formerly associated with price support loans and acquisitions, and export subsidy activities.

It was noted earlier that payments became an integral part of the commodity programs in the 1960's, farmers were also rapidly increasing the size of their operations. The number of farms with sales of \$40,000 or more increased from 113,000 in 1960 to about 183,000 in 1967. There were 227,000 farms with sales of \$20,000 to \$39,999 in 1960, and 318,000 in 1967.

The 501,000 farms in these two groups produced 68 percent of all farm products marketed in 1967. Farmers affected by payment limitations at levels examined in this report fall primarily in the larger farms of these two size groups, although some in the other group would be affected.

ALTERNATIVE APPROACHES TO PAYMENT LIMITATIONS

Farm program payment data only recently available, make it possible to estimate the probable effects of alternative payment limitation levels on producers, and on key agricultural commodity sectors.

Four alternatives are examined in this memorandum:

A \$20,000 limit on total payments.

A \$10,000 limit administered commodity by commodity.

A sliding scale with total payments limited to \$17,500 per person.

A sliding scale without an upper limit (like sugar).

We have found only one rule for selecting the best payment (or loan) limitation plan, if one is to be adopted. That is, it should not render the acreage diversion (or price support) programs ineffective. Beyond that, there is little to guide us. One could begin from an amount of budget money to be saved, or from a fixed limit on the total to be spent for payments. Setting a limit high enough to exempt most bona fide family farmers is probably a better approach; the examples used here certainly meet that test.

Inevitably, any approach to limiting farm program payments will be fairly arbitrary. It could be made effective in one sharp move, but there is no reason other than costs in any limitation adopted to be fully effective in the first year. A producer's payment might be reduced by one-third the amount by which it exceeds the limit in the first year, two-thirds the second year, and the full amount in the third year. There is no limit to the possible formulas.

For the levels studied here:

1. Farm program payment records for 1967 indicate that a \$20,000 limitation on total payments to a farmer would affect 9,789 producers in the U.S. This is .4 percent of all producers receiving payments. In this group, 8,157 received cotton program payments, 3,304 received wheat certificate payments, and 4,878 received feed grain program payments (Item 1, attached Table 1). Many received payments under several programs. Total payments in excess of the \$20,000 limitation totaled \$206 million (the maximum potential saving). A state by state listing of the number of affected producers is in an attached table.

2. A maximum limitation of \$10,000 for each producer, administered separately for cotton, wheat, feed grains, etc., would affect about 23,000 producers. Of these, 18,054 would be affected through the cotton program, 4,579 through wheat, and 850 through feed grains.

In most cases, the feed grains are produced in combination with cotton or wheat (Item 2, attached Table 1). The amount paid out in excess of \$10,000 per farm per program in 1967 totaled \$293 million.

3. A sliding scale could provide for full payment of the first \$10,000 payments earned under present laws, one-half of the next \$10,000 and one-fourth of the third \$10,000. Payments in 1967 in excess of these limitations totaled \$215.2 million. About 23,000 producers would be affected. (Item 3, attached Table 1).

4. A sliding scale starting at the level of the alternative (3) above, but with more moderate graduations has also been considered. It could either have a set limit, or it could be open ended. A schedule which provided full payment up to \$10,000 per farm, 90 percent payment for the next \$10,000—ending with 10 percent of the regularly computed payment for 100,000 or more would be one possibility.

Over half of those who receive payments in excess of \$10,000 in 1967 produced more than one of the price supported crops. Thirty percent received cotton program payments only, 1.5 percent received feed grain program payments only and 11.3 percent received wheat certificate payments only (Table 2).

Clearly any limitation on payments to an individual producer would affect primarily cotton producers. A limitation as low as \$20,000 per farm in total, or \$10,000 per commodity would affect those who produce one-third of the U.S. cotton crop, although even on the farms affected, much of the cotton crop would be eligible for price support payments.

One of the serious administrative problems sure to arise would result from proposed division of farms into smaller units if a limitation were imposed, in order to evade the limit. This would reduce the savings levels indicated in Table 1.

Any payment limit set by Congress would need to be backed up by a firm policy against each farm-splitting. There would need to be strict, uniformly administered regulations to back up the law. As much as one-third to one-half of the potential savings might otherwise be lost.

It is possible that a substantial part of the indicated savings would be lost in any case for reasons related to the nature of farm proprietorships. Many large farms are family or other partnerships, or corporations operated as a small business by a few owners. In any year there are hundreds of bona fide revisions of these arrangements.

It would be impossible for Washington, for a state administrative committee, and especially for a farmer-elected county committee to distinguish charges for causes other than those which would be a direct result of payment limits.

A second serious administrative problem could arise under options (1) and (3) above, since most producers receive payments for participating in more than one commodity program. In such cases, a producer would need to consider his participation in all of the programs simultaneously. Yet, some programs normally are not ready to be announced when other program decisions are made, since planting and harvest dates vary.

Some changes in administrative procedure would be required. Simultaneous announcement of the basic features of wheat, feed grain, and cotton programs for the year ahead would help. Also, in order to avoid overpayment to large growers, a prepayment audit with direct personal attention to each affected farm, would be useful. Final payment would need to be somewhat later than at present, and the present policy of making advance payments might have to be reconsidered.

None of these administrative problems are decisive, however. Some would be avoided in option (2) above. They are not good reasons for opposing payment limits. The number of producers affected would be so small that each could be handled as a special case with little additional expense.

CHANGES NEEDED IN BASIC COTTON LEGISLATION

Since limitation on payments would affect primarily cotton producers, certain changes should be made in that program to discourage or prevent actions by producers to avoid the payment limit, and to maintain program effectiveness. These include:

1. Legislation authorizing sales of cotton allotments should be amended to prevent sales of allotments for the express purpose of avoiding the payment limit. (This, too, would require a Solomon-like determination by administrators).

2. The "snapback provision" in the 1965 Act (Section 402(12)), P.L. 89-321 must be repealed if the limit is to be effective. This provision requires that if payment limitations are authorized, the old permanent (and obsolete) cotton price support system goes into effect. This would include high price supports, with CCC acquiring most of the cotton, and selling it back into the market at lower prices. This would seriously disrupt the cotton industry. By shielding cotton from any payment limit policy, it would avoid the intent of Congress.

3. The mandatory features of the cotton acreage adjustment program could either be terminated or modified, in order to give producers affected by the payment limit an opportunity to expand their acreage.

With U.S. producers facing world level cotton prices for a large part of their output on the acreage allotment, it appears that mandatory acreage controls back up by marketing quota penalties are no longer needed to achieve a cotton supply-demand balance. The industry has little incentive to overproduce at this price level. Low prices may be enough of a deterrent.

However, present acreage allotment procedures, based on past acreage, do slow down the further westward shift in cotton production. Most of the cotton producers and interested Congressmen want them continued, since they value the cotton acreage allotments in the state, either for economic or political reasons.

Therefore, an intermediate step short of terminating acreage allotments would probably be best. This could provide for waiving marketing quota penalties for producers who overplant their farm acreage allotments by specified percentages.

Producers who were receiving full payments as calculated under the law, for example, could be required to plant within their farm acreage allotment.

Producers losing only a small percentage of their payment could overplant their acreage allotment only a little.

Producers losing most of their payment (being reduced from \$150,000 to \$10,000 for example) might plant up to double their farm acreage allotment.

The Secretary of Agriculture would need a lot of discretion in setting such percentages from year to year, since the results could not be accurately estimated in advance. It does seem clear that large producers who would be touched by payment limits do value the opportunity to expand acreage. Thus a satisfactory *quid pro quo* may be possible.

CHANGES NEEDED IN WHEAT AND FEED GRAIN LEGISLATION

Few wheat or feed grain producers would be affected by payment limitations, at levels examined in this memorandum. Yet modest changes in these programs would reduce inequities, and might avoid adverse effects on program participation.

Existing legislation could be amended to

provide that wheat and feed grain producers subject to payment limitations would either get a larger acreage allotment (in the case of wheat), or would have their acreage diversion requirements reduced in the case of feed grains. For example, if payment limitations reduced a feed grain producer's payment by one-half, the diversion otherwise required to become a cooperator in the program could also be reduced by half. Again, the Secretary would need some discretion in administering such a provision, in order to maintain program effectiveness.

EFFECT OF LIMITATION IF APPLIED TO SUGAR PROGRAM

Roughly 100 to 125 sugar producers received payments in excess of \$20,000 in 1967. About 1,500 producers were above the \$10,000 mark.

Payments under the Sugar Act provide sugarbeet and sugarcane growers with an incentive to restrict their acreage. Acreage limits are set by the Secretary when supplies or potential supplies are large, based on formula in the law. Without loss of payments to provide an incentive to keep acreage down, quota limits might be ignored and the Sugar Act in its present form could become ineffective in limiting U.S. sugar production.

A maximum of \$20,000 per payee would have no effect on growers who produce less than 1,000 tons of recoverable sugar per year and only a small effect on those who produce as much as 1,500 tons per year—percent of all sugar producers with—percent of all production would thus be exempt.

At the other end of the scale is the question of whether or not payment limits at levels examined here would discourage production. For the larger producers, the 30 cents per 100 pounds received in Sugar Act payments for production in excess of 30,000 tons equals about 4 percent of the current price of raw sugar in New York. Program payments are less than 5 percent of gross receipts for large producers; are only one of several factors which influence output, and which encourage compliance with allotments. Even if payments were reduced to a maximum of \$20,000, the largest sugar companies probably would continue to produce at about present levels, and to comply with acreage allotments.

EFFECTS OF LIMITATIONS IF APPLIED TO WOOL

Payment limitations applied to wool growers would affect few producers, and would not reduce program costs appreciably.

There is no price support loan for wool. Income support to wool growers is entirely in the form of direct payments equal to the difference between average market prices and a target set by law. Payments were intended to encourage increased wool production, but they have, at best, served to slow the decline of the U.S. sheep industry.

A limitation of \$20,000 applied to all programs would affect about 125 wool producers with 4 percent of total U.S. wool production in 1967. Wheat, feed grain or cotton payments also were involved in 98 of these cases.

A limit of \$10,000 for wool payments alone would have affected 165 producers in 1967. They received about \$2.6 million and accounted for about 9 percent of the total U.S. wool and mohair production. A \$10,000 limit would have reduced total wool payments about a million dollars.

The sliding scales in alternatives (3) and (4) would reduce payments a little over one-half million dollars for (3) and by a negligible amount under (4).

Payment limits would reduce the incentive for wool production in the U.S. slightly, but even present payments provide only a limited incentive. Limitations would not have any decisive impact on the sheep and wool industry.

TABLE 1.—EFFECTS OF ALTERNATIVE PROGRAM PAYMENT LIMITATION PLANS

Payment limitation plan	Program 1			
	Cotton	Wheat	Feed grains	Total
\$20,000 total for all programs:				
Number of payees affected.....	8,157	3,304	4,878	² 9,789
Payments in excess of limitation ³				\$205,600,000
Production on farms affected.....	⁴ 3,780,000	⁴ 74,600,000	⁴ 113,800,000	
(1) Percent of U.S. total production on farms affected ³	34	5	2	
\$10,000 per program:				
Number of payees affected.....	18,054	4,579	850	² 23,017
Payments in excess of limitation.....	\$261,900,000	\$26,400,000	\$4,500,000	\$292,800,000
Production on farms affected.....	⁴ 5,440,000	⁴ 69,400,000	⁴ 151,800,000	
(1) Percent of U.S. total production on farms affected.....	49	10	1	
(2) Percent of U.S. total production affected which is in excess of limitation.....	29	3.6	0.4	
Sliding scale per program: ⁶				
Number of payees affected.....	18,054	4,579	850	² 23,017
Payments in excess of limitation.....	\$196,400,000	\$16,000,000	\$2,800,000	\$215,200,000
Production on farms affected.....	⁴ 5,440,000	⁴ 151,800,000	⁴ 69,400,000	
(1) Percent of U.S. total production on farms affected.....	49	10	1	
(2) Percent of U.S. total production affected which is in excess of limitation.....	22	2	0.3	

¹ Includes all payees who received \$10,000 or more from all ASCS programs. The 3 commodity programs account for about 90 percent of total payments.

² Net figure—since some producers participate in more than 1 commodity program.

³ Impossible to calculate excess by program since exact amount will depend upon how a producer

who participates in more than 1 program decides to allocate his program earnings between programs.

⁴ Bales.

⁵ Bushels.

⁶ Full payment for 1st \$10,000; $\frac{1}{2}$ of next \$10,000; and $\frac{1}{4}$ of 3d \$10,000.

TABLE 2.—PAYEES RECEIVING \$10,000 OR MORE AND \$20,000 OR MORE IN PAYMENTS FROM ASCS WHO RECEIVED COTTON, FEED GRAIN, AND WHEAT PAYMENTS IN SPECIFIED COMBINATIONS, 1967

Source of payment	\$10,000 or more		\$20,000 or more		Source of payment	\$10,000 or more		\$20,000 or more	
	Number	Percentage of total	Number	Percentage of total		Number	Percentage of total	Number	Percentage of total
Cotton only.....	8,882	29.8	3,494	37.3	Feed grain and wheat.....	4,000	13.4	646	6.9
Cotton and feed grain.....	7,316	24.5	2,557	27.3	Any feed grain payments.....	(16,395)	(54.9)	(4,828)	(51.5)
Cotton and wheat.....	1,196	4.0	511	5.4	Wheat only.....	3,367	11.3	542	5.8
Cotton, feed grain, and wheat.....	4,626	15.5	1,545	16.5	Any wheat payment.....	(13,189)	(44.2)	(3,244)	(34.6)
Any cotton payments.....	(22,020)	(73.8)	(8,107)	(86.5)	Total.....	29,840	100.0	9,375	100.0
Feed grain only.....	453	1.5	80	.8					

DISTRIBUTION OF PAYEES RECEIVING GOVERNMENT PAYMENTS OF \$20,000 AND OVER, BY MAJOR COMMODITY, BY STATE 1967

State	Cotton	Feed grains	Wheat	Wool	State total
Alabama.....	289				289
Arizona.....	586	2	1		589
Arkansas.....	862	2			864
California.....	931	3	18	7	959
Colorado.....	5	9	124	7	145
Florida.....	4				4
Georgia.....	177	2			179
Idaho.....			55	4	59
Illinois.....	2	20			22
Indiana.....		13			13
Iowa.....		12	1	1	14
Kansas.....	2	13	143		158
Kentucky.....	6		2		8
Louisiana.....	321				321
Michigan.....		1			1
Minnesota.....			5		5
Mississippi.....	1,411				1,411
Missouri.....	98	17	2		117
Montana.....		4	75		79
Nebraska.....	1	15	5		21
Nevada.....	3	1	2	1	7
New Jersey.....		1			1
New Mexico.....	119	14	39	1	173
North Carolina.....	70	1			71
North Dakota.....		1	26		27
Ohio.....		3	1		4
Oklahoma.....	65	1	39		105
Oregon.....			76		76
Pennsylvania.....		1			1
South Carolina.....	217				217
South Dakota.....	2	1	17		20
Tennessee.....	102				102
Texas.....	2,365	84	193	11	2,653
Utah.....			5	2	7
Virginia.....		1			1
Washington.....		1	175		176
Wyoming.....			3	5	8
Total, United States.....	7,638	223	1,007	39	18,907

¹ 882 additional payees received payments of \$20,000 and over from other ASCS programs.

NUMBER OF PAYEES RECEIVING \$10,000 OR MORE FROM COTTON, FEED GRAIN, WHEAT, OR WOOL PAYMENTS, BY STATES, 1967

State	Cotton	Feed grains	Wheat	Wool
Alabama.....	808	3	0	0
Alaska.....	0	0	0	0
Arizona.....	870	11	9	5
Arkansas.....	2,098	2	6	0
California.....	1,728	12	70	16
Colorado.....	11	26	449	17
Florida.....	10	0	0	0
Georgia.....	604	7	1	0
Idaho.....	0	4	290	18
Illinois.....	5	76	6	0
Indiana.....	0	50	1	0
Iowa.....	1	67	3	1
Kansas.....	4	47	647	0
Kentucky.....	22	2	2	0
Louisiana.....	814	3	1	0
Michigan.....	0	4	2	0
Minnesota.....	0	17	25	0
Mississippi.....	2,510	1	2	0
Missouri.....	330	54	6	0
Montana.....	1	11	613	7
Nebraska.....	1	72	55	0
Nevada.....	12	1	2	4
New Jersey.....	0	2	0	0
New Mexico.....	371	58	72	8
New York.....	0	0	1	0
North Carolina.....	217	10	0	0
North Dakota.....	0	2	262	0
Ohio.....	0	13	3	0
Oklahoma.....	200	9	226	0
Oregon.....	0	1	316	2
Pennsylvania.....	0	5	0	0
South Carolina.....	574	6	0	0
South Dakota.....	4	6	90	3
Tennessee.....	419	1	0	0
Texas.....	6,439	256	474	46
Utah.....	0	0	28	3
Virginia.....	1	2	0	0
Washington.....	0	2	905	3
Wisconsin.....	0	7	0	0
Wyoming.....	0	0	12	32
Total, United States.....	18,054	850	4,579	615

COMMENTS ON STUDY DATED NOVEMBER 27, 1968, "LIMITING FARM PROGRAM PAYMENTS" BY H. D. GODFREY FOR ASCS

This study concludes that payments to producers under existing price support and acreage control programs for feed grains, wheat, cotton, wool, and sugar could be limited to around \$20,000 per farm for all payments, or to \$10,000 per program without serious adverse effects on production or on the effectiveness of production adjustment programs. Admitting that difficult administrative problems would arise, the report leans toward concluding that they could be solved. Budget savings, it is averred, would range from \$200 to \$300 million if the law could be administered firmly. The range of savings would depend upon the kind of limit adopted. Four are discussed: (a) a \$20,000 payment limit per farm; (b) a \$10,000 limitation per commodity; (c) a \$17,500 total payment limitation per person, based upon a sliding scale; and (d) a sliding scale payment provision without an upper limit, somewhat like the sugar provision.

A quick review of the salient points and arguments which the report makes causes us to conclude that the study is overdrawn, with much of the narrative not providing firm support for the report's conclusion. The following detailed comments embrace our views:

1. The report indicates for cotton and wheat that a payment limitation would have little effect on acreage and production. For feed grains, it indicates that a limitation would soon lead to larger surpluses unless the level at which market prices were supported was also reduced.

In the case of wheat and feed grains, our data indicate the imposition of a \$20,000 payment limit probably would not seriously

disrupt the voluntary wheat and feed grain supply adjustment programs. Under the 1967 wheat program, payees receiving payments over \$20,000 accounted for about 2.5 million acres, or 4 percent of the wheat allotment. Most producers could of course, continue to participate in the program. Further, by 1970 a wheat farmer would have to overplant his allotment by almost 70 percent in order to pocket the same returns as a program participant.

In the case of feed grains, payees receiving over \$20,000 in a 1967 program payments comprised about 2.6 million acres of the total feed grain base, made up of about 0.8 million base acres of corn and 1.8 million base acres of grain sorghums; the total comprises only about 2 percent of the feed grain base. The estimated corn base attributed to payees receiving over \$20,000 of payments in the 10 leading corn (grain) producing States approximated a little over 200,000 acres; most of these payees also received payments under the wheat program. The remaining corn base involving 0.6 million acres was widely distributed primarily in the Southeast and Mississippi Delta cotton producing areas, where corn payments are minor relative to cotton. In general, feed grain payments in the sorghum area are small relative to cotton payments on cotton-feed grain farms. In this context feed grain production would not be expected to increase materially under a \$20,000 limitation.

But the case for both wheat and feed grains begins to unravel as the payment limitation drops—for example, a \$10,000 or lower limitation would importantly change the situation.

For cotton our data show that payees receiving over \$20,000 in 1967 program payments accounted for more than 30 percent of the potential production; about 4.4 million allotment acres were on farms affected by this limitation. Further, the study indicates that a \$10,000 program limitation would affect payees producing about 5½ million bales, or more than 40 percent of a normal crop. These figures are significant; our interpretation of them is different than that taken by the report, which is inclined to conclude that, while difficult administrative problems would arise, nonetheless they could be worked out so as to result in budget savings of from \$200 to \$300 million, and at the same time provide adequate supplies of cotton with little disruption to most producers. In our judgment this is *unrealistic*, and *in fact is not supported by the report itself*. Table 1 of the study indicates the range of savings under the alternative limitations, *provided* any limitations were 100 percent effective. At the same time the body of the report indicates that from one-third to one-half of the potential savings might be lost unless the limitations were "backed up by a firm policy against farm-splitting," going on to say that "it is possible that a substantial part of the indicated savings would be lost in any case for reasons related to farm proprietorships". The study goes on to conclude that "it would be impossible for Washington, for a State administrative committee, and especially for a farmer-elected county committee to distinguish changes for causes other than those which would be a direct result of payment limits".

As we see it, a cotton payment limitation would result in only negligible budgetary savings simply because of the cotton farm infrastructure. In explanation, a great majority of the legal entities which receive the larger cotton payments involves more than one person. Many of them are partnerships, corporations, or joint ventures involving a fairly large number of individual producers and landowners. The large farms have been operated as one unit in order to increase efficiency, but if limitations were to be put into effect, most of the large farms could

be divided—legally—into smaller units with each individual operating a separate farming unit.

Very few of the producers who have received payments in excess of \$20,000 own all the land that they operate. Most of them rent or lease some of the land they are working, and many of them also have leased or purchased allotment acreage from other farms. If a limitation is made effective, those producers who have been leasing would not continue to lease the additional land or allotment.

By 1970 cotton payments are likely to average about 20 percent smaller than in 1967 as diverted acreage is greatly reduced or

eliminated. This would reduce the number of farms affected by a \$20,000 limit. In 1967, about 8,900 payees received a payment of over \$20,000 on cotton, wheat, feed grains, and wool. By 1970, it is estimated this number would be reduced to around 6,500 payees even if they continued to operate the same land in the same manner as in 1967.

The list of large cotton payees (over \$25,000) in 1967 has been reviewed for a few counties by some of our people who are knowledgeable about farms and farming in these counties. The following summarizes the actions which our people think these payees might take in 1970 if a limitation were in effect.

County	Number of payees over \$25,000	Action that would likely be taken			
		Increase number of payees ¹	Rent out owned land	Release rented land	Sell or lease part of allotment
	(1)	(2)	(3)	(4)	(5)
Yuma, Ariz.-----	46	34	3	29	10
Maricopa, Ariz.-----	175	105	52	27	136
Reeves, Tex.-----	65	24	11	23	13
Sunflower, Miss.-----	82	38	21	16	2

¹ Includes cases where farming operation would be divided between present owners and/or partners, and where operation would be changed from hired hands to share tenants or cash tenants.

Note.—Cross totals do not add to col. 1; many payees would take multiple actions.

Thus, a central question relating to making a payment limitation work for cotton involves action which the Government could take to enforce a limitation. Realistically we doubt that legal actions could be taken to, in effect, freeze the number of payees, deny producers the right and opportunity to rent land which they own, release land which they have rented, or even to sell or lease portions of their allotment. In this connection, we note the report's suggestion that legislation authorizing sale of cotton allotments should be amended to prevent such sales for the express purpose of avoiding a payment limitation, commenting that this would require a "Solomon-like" determination by administrators. Indeed it would!

Furthermore, the study does not give any serious consideration to the impact on other programs if limitations were applied to cotton and who could administratively enforce such limitations. It is possible throughout the cotton area to grow alternative crops, but the alternative crops are also in surplus. Thus, any limitations which would affect cotton would naturally lead the producers to adopt farming practices which would involve the growing of other price supported crops, all of which are now in surplus. Thus, any savings as a result of limitations on cotton would for all practical purposes be largely offset by increased cost of price supported operations for feed grains, wheat, soybeans, dairy, etc.

It is true, as the report states, that certain payment limitations have been in effect in past years, mentioning the Agricultural Conservation Program and the Conservation Reserve Program. These limitations are described in enclosure 1. It is important to point out here, however, that a clear distinction must be made between a limitation involving voluntary participation in acreage adjustments, as contrasted to a program which sharply limits payments to producers for a crop that is their main livelihood. In a word, little useful comparison can be drawn between a payment limitation on the ACP, and a cotton payment limitation.

Much of the above comment relates to a limitation of around \$20,000. The problems we describe, and their effect on overall program results, would bear down much more forcefully if the payment limitation were \$10,000—and the impact of a \$5,000 limitation would obviously be much greater yet.

I believe we can agree that as the payment limitation drops, the number of producers affected would sharply increase, and there would be less opportunities for producers to legally avoid the limitation. This brings up another serious problem—the ability to provide an adequate cotton production involving participation by the family farm, countrywide, with price support at about world price levels.

In sum, I am seriously concerned with a report which contemplates savings of from \$200 to \$300 million through a payment limitation. Realistically, I do not believe the necessary steps could be taken, either by statute or administratively, to make the program effective enough to result in important savings. And further, if the limitation were dropped to the point where large numbers of smaller producers were affected by it, program savings would be made at the risk of jeopardizing the entire program with resultant damage to the family farm enterprise. There would be serious question as to whether or not adequate quantities of cotton would continue to be produced.

2. The Sugar Program: The study would apply the limitations described above to the sugar program as well. This program, however, now embraces limitations on sugar act payments, based on a sliding scale, but with no absolute limitation. The statutory rate of payment per 100 pounds of sugar starts at 80 cents for the first 350 tons per farm or per person, but drops to a rate of 30 cents per 100 pounds for quantities in excess of 30,000 tons. The report states that the limitations "provide some disincentive to large growers although not enough to prevent considerable concentration of sugar production." We see no problem on the sugar program; it has a long history and it is working well. We seriously doubt the wisdom of embroiling the sugar program in any new limitations, of the kind the study contemplates. The study indicates that 1,500 producers received payments in excess of \$10,000, and from 100–125 obtained payments in excess of \$20,000 in 1967. For the larger producers, program payments amount to less than 5 percent of the gross receipts. The study conjectures that if payments were reduced to a maximum of \$20,000 the larger sugar companies probably would continue to produce at about present levels, and to comply with acreage allotments. It's our view that enact-

ment of sugar legislation is time consuming, tortuous and difficult; it usually has been handled separately. We do not believe the problem of payment limitations for sugar is sufficiently serious to warrant further consideration at this time.

3. The Wool Program: Here again we doubt the wisdom of applying a payment limitation. The study shows that 125 wool producers would have been affected by a \$20,000 limitation under the 1967 program. A limitation of \$10,000 would have affected 165 producers that year, they receive about \$2.6 million and accounted for perhaps about 9 percent of U.S. production. A \$10,000 limitation would have reduced payments about \$1.0 million. But the wool program payment is considered an "incentive payment" designed to increase domestic wool production, make consumers less dependent upon imports. It is financed from tariff receipts on imports, thus is somewhat different from our other programs. For these reasons we doubt that action to impose a limitation would serve a really useful purpose.

4. Changes in basic legislation for wheat, feed grain and cotton: The study suggests the possibility of amending wheat and feed grain legislation so as to provide either for a larger acreage allotment, or a reduced diversion requirement for those participants who would be affected by a payment limitation. For cotton, it suggests that marketing quota penalties might be waived for producers affected by the limitation, who overplant farm acreage allotments by specified percentages.

We see little need for the wheat and feed grain proposal which has serious shortcomings. We are inclined to doubt the acceptability of a program which would offset payment limitations with the opportunity to produce larger quantities with the benefit of price support. Administratively, the provision would give rise to difficult problems.

The cotton proposal apparently stems from the belief that producers whose payments are drastically reduced under the limitation ought to have the opportunity to produce extra supplies with the benefit of the loan. This is a laudable objective particularly if there is reason to believe that production otherwise would not be adequate. At the same time we have serious doubts both as to its general acceptability or the need for it. For example, if a \$50,000 price support payment were reduced to \$20,000, this amount could be earned on perhaps 40 percent of the domestic acreage allotment. If the domestic allotment percentage was set at 65 percent, this means the \$20,000 could be earned on 26 percent of the allotment. In this situation the producer already would be able to grow the remaining 74 percent of his allotment with benefit of price support. Administratively, the suggestion for extra acreage to such a producer would raise serious and complex problems. Allotments are made to farms, not individuals. Many allotments embrace situations under which a large payment accrues to one or two individuals, but much smaller payments accrue to others. This might involve basing the extra acreage on a person's intention, ahead of planting time. We see numerous problems with this, and at the same time we are not sure that the provision would be needed.

The earlier comment in this memorandum related to the provision which would amend legislation authorizing sales of cotton allotments.

Mr. SMITH of Illinois. The money saved by my amendment could be reserved, or expanded on other, more worthy, projects like farm pollution control, conservation, and wildlife management. It is clear to me that whatever constructive use of the money saved we make, it will be a better use than padding cor-

porate and agribusiness bank accounts.

As I noted earlier, subsidy ceilings are not new. They have been suggested before and debated before. Let us look at some of the objections that have been raised to crop subsidy limitation per producer:

One argument often heard is that if big producers cannot receive full payment for all diverted acres, they will simply drop out of the program completely, pour on the fertilizer and multiply production. The result, the Department of Agriculture has argued, would be a glut on the market—followed by a sharp drop in commodity prices and the squeezing out of the small producer our farm program was designed to protect.

That future projection of an imaginary horrible was flatly contradicted by the last administration's own Under Secretary of Agriculture, John Schnittker. In a report dated November 27, 1968, in the closing days of Secretary Freeman's term, Dr. Schnittker stated unequivocally:

Payments to producers under existing price support and acreage control programs . . . could be limited to around \$20,000 per farm, for all payments . . . without serious adverse effects on production or in effectiveness of production adjustment programs.

The then Under Secretary went on examining supporting data in some detail, documenting fully the reasons why a subsidy limitation would not ruin the farm program.

The Johnson administration, however, did not permit the report to see daylight. The truth of Dr. Schnittker's remarks becomes more obvious when we recall the history of recent agricultural legislation.

The original purpose of subsidy payments was to stabilize production, and thereby markets, through orderly crop reductions, diverting acreage from the raising of commodities. Once Congress resolved to pay the farmer high price supports for his produce. That policy failed when it stimulated even greater production, and brought about a gigantic surplus.

At one time those surplus commodities, as I am sure many Senators will remember, were worth \$8 billion, and cost fully \$1 billion a year simply to store.

Accordingly, farm policy in the United States was changed to provide subsidy payments to farmers who limited production by diverting their land to nonproduction. Payments were awarded to compensate them for not using their most valuable capital asset, the land.

For some commodities, like feed grains and wheat, the purpose of limiting output was achieved. Fully 89 percent of all feed grain payments in 1968 were devoted to limiting output. For wheat, the figure was 51 percent, and this proportion is expected to increase in 1970.

For cotton, the story was different. In 1969, only 38 percent of subsidy payments went to limit production. In 1970, virtually all cotton payments will be for income supplements, with no payments for production limitation.

Let me make clear at this point that I have nothing against cotton farmers. Raising cotton in the United States has

been an essential part of our economic output since the beginning of the Republic, and I would not, under any circumstances, favor compromising that portion of our agricultural output. I am for the farmer; I am flatly against outrageously excessive payments to rich agribusinessmen and corporations who receive more than \$20,000 in any year.

It is necessary, however, to examine somewhat more closely the cotton program, since the brunt of my legislation would fall on the cotton agribusinessmen who compose about two-thirds of the farm units whose payments would be affected by this amendment.

Cotton acreage is not severely limited at the present time. In fact, the national cotton acreage allotment has been increased. As a consequence, Federal cotton subsidies go to enhance income, not to limit production. Right now, the taxpayer is paying about \$900 million a year to generate a cotton crop worth only slightly more than \$1 billion.

Mr. ELLENDER. Mr. President, will the Senator yield for a question?

Mr. SMITH of Illinois. I yield.

Mr. ELLENDER. Since the Senator is talking about subsidies paid to growers of various crops, does he know that seven States where corn and other feed grains are grown are paid \$1,324 million, and Illinois appears to be the fourth or fifth State in point of receipts? Illinois received \$195 million by way of subsidies. Louisiana, which grows cotton, a little corn, and a little rice, gets \$52 million.

The State of Indiana, corn growing, \$132 million. Iowa, corn growing, \$260 million. Kansas, \$234 million of these subsidies the Senator is talking about. Minnesota—mostly corn growing, and with no cotton—will get \$171 million. Mississippi, \$133 million plus, and Nebraska, \$199 million plus—all corn and other feed growing States.

So that is where all of the subsidies go, when you talk about amounts. Of the \$3 billion plus of subsidies that are paid, 1 billion, 3 hundred and some-odd million dollars is paid to six States in the Midwest. Would the Senator be willing to put a limitation on the payments as to States?

Mr. SMITH of Illinois. No, certainly not. And I would add that, while I do not in any sense, of course, question the figures that the Senator has just quoted, I would point out that the purport of this amendment is to limit the amount received by any producer. Notwithstanding the fact, as the Senator has pointed out, that a substantial part of the total dollars are received by farmers in Illinois, the fact is that my State is one of the great agricultural States in the Nation, but there are only 136 farmers in all of Illinois who receive more than \$20,000 per producer. That is, of course, the impact of this amendment—to cut down the excess over \$20,000 to any one producer.

Mr. ELLENDER. Well, of course, the Senator realizes that there are many crops grown in this country that require a lot of handling, and the cost of production increases. Cotton happens to be

one of those, whereas in the case of corn, it is all mechanized, and one person can now do the work done by perhaps 15 or 20 heretofore, because of mechanization.

In the case of cotton, a good deal of it is handwork, and the cost of production is high. In order for a farmer to be able to grow cotton in the South, he must be mechanized. If he has a farm of, let us say, less than 100 acres or less than 150 acres, where he must mechanize to produce a crop, he could not possibly survive unless he is able to mechanize.

That, to me, is the difference between the situation that exists in States like Illinois and States in the South, where cotton is grown in abundance, on a large scale, because of the inability of the small farmer to purchase the required machines so as to properly mechanize his farm.

Mr. President, if the Senator will permit me, what we are talking about now may appear in the RECORD at the end of the Senator's speech, and I would like to ask unanimous consent to have printed

in the RECORD, if the Senator will not object, the tables from which I have been reading, indicating where these subsidies are paid.

Mr. SMITH of Illinois. I have no objection.

Mr. ELLENDER. As I have stated, almost a third of the amount of money that is paid out in subsidies is paid to six States in the Midwest which plant corn and other feed grains.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE PAYMENTS TO PRODUCERS BY STATES AND PROGRAMS DURING CALENDAR YEAR 1969

State	Cotton acreage diversion and price-support payments	Feed grains acreage diversion and price-support payments	Wheat acreage diversion and price-support payments	Sugar Act program	National Wool Act payments	Milk indemnity payments
Alabama	\$47,372,610	\$24,681,988	\$606,506		\$6,439	
Alaska					27,372	\$31,119
Arizona	39,792,872	3,337,525	1,103,481	\$946,886	881,636	
Arkansas	72,707,713	2,948,140	1,280,772		21,424	
California	81,487,963	13,130,673	6,253,569	11,936,765	3,951,185	2,697
Colorado		19,780,717	32,971,553	3,275,766	3,096,832	
Connecticut		185,172			7,299	
Delaware		1,385,339	408,262		1,806	
Florida	1,034,722	7,878,713	172,666	5,247,946	3,950	
Georgia	35,274,710	34,514,116	1,897,959		5,325	
Hawaii				10,809,756	70	
Idaho		2,417,134	30,929,193	7,728,552	2,482,354	
Illinois	132,827	156,696,151	27,830,856		636,325	
Indiana		104,339,848	19,580,674		513,544	
Iowa		246,759,650	817,836	49,433	1,601,287	
Kansas	427	71,430,634	151,090,541	1,035,761	714,420	
Kentucky	437,042	39,678,618	2,573,993		252,758	21,421
Louisiana	34,681,867	2,872,213	392,404	9,588,463	20,269	13,979
Maine		81,928	3,127	470,612	32,704	
Maryland		5,063,926	1,913,800		34,791	
Massachusetts		86,170	260		13,099	
Michigan		36,906,891	22,400,751	3,790,455	526,574	
Minnesota		140,202,782	14,677,795	4,876,710	1,075,987	
Mississippi	110,876,620	14,526,073	609,031		16,745	
Missouri	20,307,945	97,382,782	24,797,724		618,651	
Montana		4,711,778	63,857,616	2,117,518	3,309,339	5,876
Nebraska		141,299,473	45,625,720	2,641,255	634,043	
Nevada	316,409	44,665	439,824		505,325	
New Hampshire		52,168			8,357	
New Jersey		3,207,032	794,766	35,545	14,123	
New Mexico	13,273,449	12,192,348	8,099,410	175,983	1,974,159	
New York		10,729,179	6,736,524	241,567	213,228	
North Carolina	14,143,085	40,919,217	5,190,345		23,673	
North Dakota		33,132,891	113,013,504	2,426,870	901,241	
Ohio		64,578,755	26,646,888	1,211,660	1,510,930	16,258
Oklahoma	21,763,826	14,202,439	68,945,642		208,293	5,914
Oregon		1,986,092	16,993,254	1,123,526	1,392,119	
Pennsylvania		13,930,955	6,572,270		307,905	
Rhode Island		3,805			2,354	
South Carolina	30,307,718	14,743,858	2,747,212		1,596	
South Dakota		48,152,159	33,031,244		3,264,747	
Tennessee	34,120,724	28,659,250	1,970,553		92,437	
Texas	269,657,954	124,424,302	54,365,707	1,699,018	20,327,186	
Utah		1,222,545	4,710,220	1,292,843	3,054,217	
Vermont		193,161	123		11,280	
Virginia	446,718	9,992,804	3,081,768		404,218	
Washington		1,865,070	47,881,515	3,494,906	472,895	
West Virginia		1,232,637	244,657		352,117	
Wisconsin		44,674,192	719,371		287,591	14,121
Wyoming		861,084	3,524,223	1,907,719	5,543,677	
Puerto Rico				7,824,500		
Virgin Islands						
Undistributed					13,715,865	
Total	828,137,201	1,643,299,042	857,505,109	85,950,015	65,006,761	111,385

¹ Represents deductions from producers incentive payments for advertising and sales promotion programs and paid to American Sheep Producer's Council, Inc., and Mohair Council of America, Inc.

U.S. DEPARTMENT OF AGRICULTURE, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE PAYMENTS TO PRODUCERS BY STATES AND PROGRAMS DURING CALENDAR YEAR 1969

State	Agricultural conserva- tion program	Emergency conserva- tion measures	Cropland conversion program	Soil bank conservation reserve	Appalachian region conservation program	Cropland adjustment program	Total payments
Alabama	\$5,169,234	\$4,437	\$59,056	\$1,046,303	\$310,813	\$2,773,553	\$82,030,939
Alaska	63,832	800					123,123
Arizona	1,484,219	120,080	8,362			174,924	47,849,985
Arkansas	4,418,341	13,089	6,047	717,812		347,907	82,488,245
California	4,052,079	1,925,676	13,320	144,165		308,302	123,206,394
Colorado	3,462,935	778	104,354	1,173,311		1,021,734	64,887,980
Connecticut	398,072			5,729		211,345	807,617
Delaware	277,775			8,601		79,225	2,161,008
Florida	3,148,517	10,242	54,556	601,462		1,131,305	19,284,079
Georgia	6,674,009	67,320	166,070	2,792,494	165,630	4,531,103	86,088,736
Hawaii	136,982	6,614					10,953,422
Idaho	1,981,863	31,618	6,831	404,363		103,773	46,085,681
Illinois	7,014,952	29,496	42,720	160,293		2,830,857	195,374,477
Indiana	4,469,457	274,560	120,791	342,435		2,523,060	132,164,369
Iowa	7,222,462	173,922	175,669	174,611		3,376,286	260,351,156

U.S. DEPARTMENT OF AGRICULTURE, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE PAYMENTS TO PRODUCERS BY STATES AND PROGRAMS—Continued

State	Agricultural conserva- tion program	Emergency conserva- tion measures	Cropland conversion program	Soil bank conservation reserve	Appalachian region con- servation program	Cropland adjustment program	Total payments
Kansas	\$5,595,191	\$29,654	\$93,148	\$2,842,021		\$1,513,565	\$234,345,362
Kentucky	6,307,491	168,064	108,974	453,864	\$283,138	2,227,863	52,513,226
Louisiana	4,189,146	17,655	44,679	276,612		168,995	52,266,222
Maine	929,185	4,872	21,215	299,637		57,728	1,901,008
Maryland	1,260,420			65,237	26,430	237,229	8,601,833
Massachusetts	465,892			6,182		67,817	639,420
Michigan	4,248,953	7,201	60,041	1,078,490		4,374,684	73,394,040
Minnesota	4,843,032	435	139,159	1,118,482		4,222,444	171,155,956
Mississippi	6,115,513	142,372	46,488	272,159	168,297	837,587	133,610,885
Missouri	7,902,311	86,316	150,326	1,030,719		3,982,242	156,259,016
Montana	3,467,630	370,023	174	1,118,816		306,496	79,265,266
Nebraska	4,420,932	58,098	175,474	925,263		3,684,422	199,464,680
Nevada	531,432	46,516					1,884,171
New Hampshire	470,904			46,959		2,447	580,835
New Jersey	608,963			34,505		194,021	4,888,955
New Mexico	2,001,982	45,074	189,671	29,783		3,014,292	40,996,151
New York	4,779,857		29,162	1,294,720	188,266	1,240,261	25,452,764
North Carolina	6,476,334		88,368	435,016	189,052	2,291,695	69,756,785
North Dakota	4,890,697		108,523	5,550,144		2,284,309	162,308,179
Ohio	5,022,483	153,561	61,140	658,088	175,517	3,397,955	103,424,235
Oklahoma	5,045,659	187,392	63,506	2,271,426		1,248,844	113,942,941
Oregon	2,393,464	46,357	11,055	298,579		98,981	24,343,427
Pennsylvania	4,290,241		7,888	720,848	238,965	1,797,120	27,866,192
Rhode Island	61,811					714	68,684
South Carolina	3,114,074		57,599	2,800,189	57,944	2,358,687	56,188,877
South Dakota	3,454,791	166,419	184,612	3,088,810		2,373,487	93,716,269
Tennessee	4,926,920	249,715	67,593	1,013,764	460,811	2,160,847	73,722,614
Texas	18,430,862	2,008,791	361,230	2,766,834		7,863,953	501,905,837
Utah	1,192,263	47,048	633	221,457		69,128	11,810,354
Vermont	1,014,854		1216	195,044		29,950	1,444,196
Virginia	4,161,030	101,319	11,831	183,402	183,103	1,087,759	19,653,952
Washington	2,572,740		4,842	471,956		125,223	56,889,147
West Virginia	1,626,726	2,098		94,035	231,575	93,297	3,877,142
Wisconsin	4,912,261	13,246	86,024	1,010,227		4,629,321	56,346,354
Wyoming	1,915,254	93,917	11,106	118,366		97,525	14,072,871
Puerto Rico	1,022,730						8,847,230
Virgin Islands	18,141						18,141
Undistributed							3,715,865
Total	184,656,898	6,703,905	2,942,021	40,363,213	2,679,541	77,581,262	3,794,996,353

1 Denotes refunds and adjustments.

Mr. SMITH of Illinois. I would certainly agree, as obviously one must, that there is a difference in the mechanics of producing corn as opposed to producing cotton. Certainly, there is a difference in the process. But the fact is, from the information I have in tables that I have already asked to have printed in the RECORD, shows that over 70 percent of total cotton production right now comes from those receiving less than \$20,000 in subsidies. It is on the remainder only that the impact of this amendment would fall.

So I suggest that the comparison made by the Senator of the difference in the processing is not an adequate argument to offset the limitation which is the impact of this amendment.

If I may continue in my remarks, admittedly, farmers who produce only 2 percent of all feed grains and 3 to 4 percent of wheat would be affected by this amendment. Some will suggest that this measure would discriminate against cotton—as has been indicated by the distinguished Senator from Louisiana since 28 percent of that crop would feel the impact of ceiling limitations. But the important point to remember is that these programs can be distinguished because wheat and feed grain payments are working. They limit production. Cotton subsidies do not work. Instead, they simply supplement income, and most of these are incomes which do not need supplementing.

Some have objected that, if a subsidy limitation is enacted, cotton producers will simply shift to other crops, such as soybeans or corn, and glut those markets. A Louisiana State University study, however, has recently demonstrated that,

even without subsidy payments, cotton is a more profitable crop than, for example, soybeans.

In conclusion, Mr. President, my amendment is intended primarily to cure a major flaw in the farm subsidy program—excessive payments to individual producers. But this long overdue legislation will do more: It will build a bridge of understanding between rural and urban America.

In our country, three out of four citizens are city dwellers, while only one of every 20 is a farmer. Because of the flagrant abuse of a program designed to assist the family farm, many city people picture the farmer as a wealthy propertyholder receiving vast subsidies from the Federal Government for doing nothing. The recent attention given by the national media to the 13,000 producers receiving more than \$20,000 per year has presented the average citizen with an image of the farmer. To them he appears a bloated caricature; a rural Daddy Warbucks.

These 13,000 constitute a total of 0.51 percent of all subsidy payees.

Any farmer, or anyone with family or close friends who farm, knows this caricature is a vicious libel to millions of honest, hard working, frugal family farmers caught in the squeeze of rising costs and diminishing prices. The average farmer gets about \$100 per month for deliberately leaving idle his most valuable asset, and better than a third get no more than a dollar a day. In the meantime, far from sitting on the porch in his rocking chair, any farmer who is going to keep farming is out in the hot sun, working with his hands on the hundreds of laborious, backbreaking, physi-

cally demanding jobs which must be done to keep a family farm operation going. His wife helps out, and so do his sons and daughters, and no group, no occupation, and no profession exceeds the contribution they make to our society. This is the true picture of the American farmer. I believe that my amendment will go a long way toward dispelling the biased, distorted image many of our uninformed citizens have of the farmer.

Mr. HOLLAND. Mr. President, I have a good deal of sympathy with the position taken by the distinguished Senator from Illinois, though I completely disagree with the method of his approach.

I want the RECORD to show at this time that the list placed in the RECORD earlier by the Senator from Louisiana was prepared by the Department of Agriculture, showing the total payments of subsidies by States, and that in the case of Florida, the State which I represent in part, the total subsidy is only \$19,284,000, in spite of the fact that our total agricultural dollar production is \$1.3 billion. In other words, this is not a major question at all in my State and, naturally, the thinking of my people is affected by that situation, just as with the farmers in Illinois, where the average farm is producing feedgrains and is not a corporate farm but is generally a small family farm.

I want to say to the distinguished Senator that I think the method he is following here is completely wrong, and I hope he will reexamine his situation and decide to make this fight at another time and on another bill.

As a matter of fact, the Senator from Florida did not vote for the 1965 bill and did not vote for its extension for one year when it was extended. Therefore, he

has already shown his dissatisfaction with the legislation now on the books. I think the Senator knows that pretty well. But the Senator from Florida also knows that the suggestion made here, applied to an appropriations bill, has always been the wrong method to approach the matter, and an unfair method. In this year, it is particularly wrong and particularly untimely, because the agricultural legislation under which we are operating—that is, the 1965 bill as extended for 1 year after its original 5—expires with this year; and the big fight this year is going to be, so far as agriculture is concerned, on the adoption of the new farm bill.

The Senator from Florida is going to support some sort of limitation in that bill. He does not know what the total evidence will show. He has already stated to the able Secretary of Agriculture, when the latter appeared before our legislative Agricultural Committee, of which the Senator from Florida happens to be a member, as well as a member of the Appropriations Committee, that he thought that the recommendation then made by the Secretary that the limitation should be, as I recall, \$110,000 was too great and that some better figure than that would have to be suggested in order for it to have any chance of adoption.

The point the Senator from Florida is making, first, is that the fight ought to occur on the general farm legislation, second, that the legislation to which this amendment would apply, if it were attached to this bill, does not exist. This amendment applies to crops planted in fiscal 1971, and crops planted in 1971 are not under the existing legislation but on ancient legislation, which the Senator from Florida cannot even remember in its exact details.

The Senator from Florida recalls that as to corn, no price support was provided, except by agreement made by the corn producers and by action taken by the Department of Agriculture. Corn producers only twice, as the Senator from Florida recalls, ever entered into any agreement for that purpose, so that this amendment is completely untimely in that it applies to appropriation bills in the first instance and, in the second instance, it seeks to apply to an agricultural program which is not now in existence but will have to be in existence within the next few weeks because it will have to be in existence so as to apply to the winter wheat which will be planted, as I recall, in September or October. So that the bill is coming up very shortly.

The Senator from Florida will be glad to help to get some sort of limitation in the bill, and so will others who, I am sure, will not share the feeling of the Senator from Illinois that it is appropriate to place this kind of arbitrary limitation in any appropriation bill, particularly when it is to apply to a farm program that does not yet exist.

He hopes that the distinguished Senator from Illinois will agree, as was agreed by others in the other body who share the same conviction that he shares. They decided there that this is not the bill to attach such a provision to but

that, instead, the fight should be deferred to the new farm bill. He hopes the Senator will consider that well, because he thinks he will get a great many more votes and there will be greater sympathy with his approach to a limitation. I am not speaking about this particular amount, because I do not know what limitation will be in the farm bill. This would simply inject into the conference a matter already rejected by the other body.

The Senator from Florida knows the convictions of the Senator from Illinois. He does not question them for a moment, but he does suggest to the Senator from Illinois, first, that he reexamine the untimeliness of the proposal and, second, that he hold his fire, mass his ammunition, keep his powder dry, and be ready to make his fight when the farm bill comes up.

He simply makes that suggestion as a friendly one, because there are so many other items involved in the bill which would be adversely affected by a long conference, that he thinks the Senator from Illinois will get fewer votes in his proposal as presented now than he would when properly presented on a legislative bill.

I am glad now to yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, I concur in the remarks just made by the distinguished chairman of the Agricultural Appropriations Subcommittee. I also agree with the Senator from Illinois that there has to be a limitation on the payments. However, this is not the bill to put that on. There must be and there certainly should be an agricultural bill coming over to us from the House and we will consider it here. In fact, we have already considered most of it. We are waiting for them to get something over to us. I would be glad if they would just send the title of the farm bill over and let us fill in the rest of it. But, so far, they have not done that.

Now that I am on my feet, I join with all the others who have paid tribute to the Senator from Florida for his work on agricultural appropriations, not only for this bill but for the bills which we have had coming before us throughout the years.

I do not think anyone has ever performed this work as conscientiously, certainly not more conscientiously, than has the Senator from Florida.

I am not saying this in the nature of a eulogy because I do not like eulogies. I believe in giving credit where credit is due. Not only do I not believe in eulogies, but we expect to get a great deal more work out of the Senator from Florida while he is a Member of the Senate. He certainly has done a remarkable job, not only for his State and country but particularly for American agriculture.

The pending bill is one of his better works because we have been operating under difficulties, with everyone saying that we do not have any money for this or we do not have any money for that, and then we have to decide what we do have money for.

Once again let me say that the work which the Senator from Florida has been

performing is almost superhuman over the many years that he has been looking after agricultural appropriations. Also as a ranking member of the Agricultural Committee, his work has been outstanding.

Mr. HOLLAND. I thank my distinguished friend from Vermont most sincerely.

I think the Senator from Illinois may not have been listening, because he was chatting with another Senator, when the Senator from Vermont made it plain that he agrees there should be limitations and he thinks this is not the bill it should be on.

Like myself, he supports some limitations in the farm bill. Like myself, except he is a good deal senior to me both in length of time in service on the agricultural bill and in his amount of knowledge of agriculture, he is supporting a limitation in the farm bill, so that we have two friendly suggestions to make to the Senator, that this is not the time for him to make his best fight.

Mr. AIKEN. The Senator from Illinois has the right idea. He is in the right place. A little later I think it will be the right time.

Mr. HOLLAND. Mr. President, while the Senator from Vermont is on his feet, I know he has great interest in obtaining more convenient and expeditious handling of requests by farmers in his State, by the establishment of a Farmers Home Administration State office in Vermont. Previously, they have had to go over to Orono, Maine, which is a friendly State and a most friendly place to go, but is a good many miles away, especially in the wintertime.

I am glad to be able to state to the Senator that I have received a letter dated July 2, 1970, from Secretary of Agriculture Hardin, and I will read a part of it:

This is to inform you that a Farmers Home Administration State Office will be established in the State of Vermont.

Then he goes on with the information.

Mr. President, I ask unanimous consent to have this letter printed in the RECORD in its entirety.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., July 2, 1970.

HON. SPESSARD L. HOLLAND,
Chairman, Subcommittee on Appropriations
for the Department of Agriculture and
Related Agencies, U.S. Senate, Washington, D.C.

DEAR SENATOR HOLLAND: This is to inform you that a Farmers Home Administration State Office will be established in the State of Vermont. The area to be served by the State Office has not yet been determined as it will be necessary to reorganize the New England State Office at Orono, Maine, which now administers the FHA program in the States of Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont.

The Farmers Home Administration is presently reviewing the workload and organization in the New England area and will establish a State Office in Vermont at an early date.

Sincerely,

CLIFFORD M. HARDIN,
Secretary.

Mr. AIKEN. Let me again thank the Senator from Florida for looking after this. The Farmers Home Administration work has grown in my State, as it has also grown in Maine. Up until now, the volume of its business has not warranted the establishment of a State office in Vermont. This is no reflection at all on the work which has been done by the Maine office, which is 400 miles away from western Vermont—almost as far away as Washington, D.C.—but their business has grown. Until now circumstances dictate that a Vermont office should be established.

I have a feeling that with the economy of this country as it is today the work of the Farmers Home Administration will increase much more rapidly in the very near future.

The Farmers Home has been a good organization. It has done worthwhile work. Certainly, it has made mistakes occasionally. But who has not? Anyone who says he does not make mistakes once in a while is no good anywhere. I thank the Senator from Florida for having the letter from the Secretary of Agriculture printed in the RECORD. I have also received a similar letter from Secretary Hardin and at this time wish to express my thanks to the Secretary and other officials of the Department for their cooperation.

Mr. HOLLAND. Mr. President, to supplement what the Senator from Vermont has said, the farmers of New Hampshire, at least, will be greatly pleased by this news because apparently their travel to Vermont is much easier, particularly in winter, than it is to Maine, and much shorter in distance. So that his efforts result not only to the convenience of the farmers in his State but also to the convenience of many of the farmers, perhaps all of them, in New Hampshire.

Mr. YOUNG of North Dakota. Mr. President, I join the Senator in opposing the Smith-Williams amendment that would place a limitation of \$20,000 on the amount that any one farmer could receive under the various farm programs.

A limitation is necessary, but in order not to disrupt the operation of present programs, we would have to include legislation on this appropriation bill. This would be subject to a point of order.

I am sure the Senator is right when he says that a poll in Illinois indicates that 90 percent of his farmers want a \$20,000 limitation. I am sure that a poll of the farmers in my State would indicate that 95 percent of them want a limitation. There are only 65 farmers in the whole State of North Dakota receiving more than \$20,000, as I recall, only one receiving more than \$65,000.

I am sure that in the next legislative bill, which we will be considering soon, there will have to be a limitation. I point out that that is the place in which to do it and not in this bill.

Mr. HOLLAND. Mr. President, I thank the Senator for his comments. I point out that all of these comments have been made by friendly Senators who think that the Senator from Illinois, with all of his intense convictions, would stand a much better chance to get some practical limitation if his attempt were to support

the limitation which will be included in the farm bill or to change whatever limitation there will be in that bill. There will certainly be a limitation in that bill in the opinion of the Senator from Florida.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. HRUSKA. Mr. President, the Senator from Illinois has marshaled well his arguments for a limitation on payments pursuant to his amendment. They are classical arguments that have been made many times before in the Senate.

The Senator from Illinois has armed himself well with the prevailing sentiment in his State. And he has acquired a very firm conviction that he is on the right track and is doing the right thing in advocating the pending amendment.

I join my colleagues who have spoken to the effect that this is neither the time nor the place. It is not the time because these moneys would not apply to the crop year that would be relevant. It is not the time because this is not a legislative bill. It is an appropriation bill.

There is this further proposition about it insofar as the merits are concerned. It is not a simple proposition to try to deal intelligently and effectively with a limitation of the payments.

The chief testimony on that consists of the weeks and weeks of testimony taken in the other body in committee in an effort to try to devise a formula which would limit the payments and at the same time permit the programs to proceed and be in shape so that they would not be impaired by the larger operators competing in withdrawing from the program.

If there is to be a program, there must be cooperation by the larger owners or enough of them to make an impact upon the intense reduction in production.

The House has labored long and it has labored to a point where there will be a type of limitation on payments that will be much more acceptable and much more workable. That provision will be contained in a bill in which it will mean something and will be a part of the national policy in this regard.

None of those results would flow from the pending amendment. Hence, I join my colleagues and concur with them in opposing the amendment of the Senator from Illinois.

The PRESIDING OFFICER (Mr. HUGHES). The question is on agreeing to the amendment of the Senator from Illinois. All in favor signify by saying "aye."

Mr. HOLLAND. Mr. President, I told the Senator from Illinois that I would be glad to join him in an effort to get a rollcall vote if he wanted to do so. However, I would hope that he would defer his fight for a limitation until the debate on the farm bill. That is something that he must decide for himself. I will help him get a rollcall vote if he desires to do so.

Mr. WILLIAMS of Delaware. Mr. President, as a cosponsor of the amendment I urge its adoption. Whether it is to be voted on at this time or adopted as a part of the major farm bill is a decision that I will leave with my friend, the

Senator from Illinois. He can decide the most strategic time.

As one who has been advocating this \$20,000 limitation over the years, I point out that I have never taken the position that large farming as such is wrong. I recognize that with large equipment and modern machinery there is a trend toward larger farming, and that is appropriate because it contributes greatly toward increased efficiency and bringing down the cost of production. But at the same time, our agricultural program as supported by the American taxpayers is designed specifically, or at least the claim is made that it is designed specifically to help the small farmers. The larger payments do not help them because they subsidize to an extent the type of corporate operation more than the small operators.

The man with a small farm has to buy a minimum amount of modern equipment. So from an efficiency standpoint he cannot afford to idle his acreage under the soil bank plan, as the large operator can do, because he would lose his efficiency. His machinery would be idle.

A large operator owns several tractors and combines. He can idle one or two of those and reduce the number of employees with the result that to a large extent the subsidy he receives represents primarily a gain. So it does give a definite advantage to the large corporate-type operations. I think that a correction in the law is long overdue.

Mention was made by my friend, the Senator from Illinois, about his State's being the No. 1 corn-producing State. I come from one of the Eastern States. We are often considered as not being connected with agriculture. However, as I have pointed out with pride to my friends a number of times, while I come from a small State in the eastern part of the country the county in which I live was third in agricultural production to any county east of the Rocky Mountains. I think it is about 12th or 15th now. At that time it outranked every county in agricultural production in the so-called agricultural belt of the Midwest. I say that not with any disrespect to any of them but as a matter of pride and to point out that some of us in our area of the country are interested in agriculture.

With reference to these subsidies, I think that from the standpoint of the small farmers they would be better off with this limitation. Besides, what is equally important is that it would save the taxpayers around \$300 million.

The argument has been made that if the amendment were passed at this time it would delay the bill in conference. I am not too sure of that. The fact is that the House on at least one occasion has passed a bill with a limitation of \$20,000 and that it was the Senate that rejected it.

I feel confident that once we can get this limitation through the Senate it will be accepted by the House, and for that reason I would not be concerned about the fact that the limitation is included in the bill. The time to win is when the votes are available.

I think that we want to get the largest

vote possible when the amendment is offered. On March 24 of this year I included in the CONGRESSIONAL RECORD a list of the payments in excess of \$60,000. The committee has compiled a larger report that lists the amount of payments down to \$5,000.

The reports showed that there were seven companies receiving in excess of \$1 million each. Certainly no agricultural program can be justified with that type of payment.

There were 14 companies that were paid between \$500,000 and \$1 million.

There were 54 companies that were paid between \$250,000 and \$500,000.

These were not small farmers.

There were six banks that were drawing payments ranging from \$27,000 to \$224,000 not to cultivate their farmland.

The Southern National Bank of Lumberton, N.C., was paid \$224,254. The First National Bank of east North Carolina at Dunn, N.C., collected \$69,943. The First National Bank of Dumas, Tex., was paid \$69,415. These banks are classified as small farmers under the existing program. The Waccamaw Bank & Trust Co., Lumberton, N.C., was paid \$58,134. The First National Bank & Trust Co., Wichita Falls, Tex., received \$34,686. The Wilbur Security Co., Wilbur, Wash., collected \$27,445.

It does not make sense to have an agriculture program that is paying these banks not to cultivate farmland. They cannot be described as small farmers.

The Standard Oil Co., Oildale, Calif., collected \$127,995. The Arizona State Penal Farm, Grady, Ariz., collected \$148,628. The Louisiana State Penitentiary, Angola, La., collected \$85,219 not to cultivate its farmland.

The question arises in my mind in connection with penitentiaries being paid as farmers not to cultivate the land, we have criminal penalties for violations of the law relating to these payments. Just suppose one of these penitentiaries violated the law and was convicted. Mr. President, how could you put a penitentiary in the penitentiary for violating the law? Perhaps someone could give us the answer, but this points out the ridiculousness of the situation. The great State of Montana collected \$641,341 as a farmer not to cultivate its land.

Mr. President, the entire list was printed in the RECORD of March 24 of this year. I will not belabor the RECORD by asking that it again be printed.

I point out that the time is long overdue when we should put a realistic ceiling on these payments and limit them to bona fide farmers, those who cultivate their farms as a farming business, and not pay the money to those who are absentee corporate-type owners.

This amendment should be overwhelmingly agreed to by the Senate, especially now that we are operating at a deficit of around \$30 million a day and having to borrow money to finance the deficit of the Government. This is not the time to continue payment of these large payments. I hope the amendment will be agreed to. I recognize that theoretically, if the proposed new agriculture bill does not pass at this session of Congress it

would not make as much difference because there would be a limited farm program under which these payments could be made next year.

That is not an excuse, however, for rejecting this amendment here today.

The adoption of this \$20,000 limitation will have an excellent chance to be accepted by the House, and I hope that when the roll is called the amendment will be agreed to.

Mr. DOLE, Mr. President, first I commend the Senator from Illinois (Mr. SMITH). As he stated, he is one of the first Members of this body from an agriculture State to advocate payment limitations. Coming from an agriculture State I believe we should look beyond payment limitation to the program itself. We should be discussing a program and payments made thereunder, advocated by Secretary Freeman, passed during the Johnson administration, and passed by this Congress by a substantial margin in both Houses. Those of us who supported that program bear a greater burden than those not voting on the 1965 act.

Mr. President, the argument is not whether there should be a limitation of \$20,000, \$15,000, \$10,000 or \$5,000; but whether there should be any payments made to farmers.

I point out to my friends from urban areas that farmers now comprise only about 6 percent of the population but the American people still have the best food bargain of any in the world because of the efficiency, devotion, and dedication of farmers.

Mr. President, in Kansas about 410 farmers receive \$20,000 or more in payments. I feel certain those 410 farmers will survive with or without payment limitations. But I share the concern of the Senator from Florida that this is an appropriation bill, that the authorizing legislation, the Farm Act of 1970, is now in the process of being compromised in the other body and hopefully it will be passed this year by Congress.

I suggest that is the time to impose payment limitations. There is no doubt in my mind because of the recognition by every Member of this body and the efforts of the Representative from Massachusetts, Mr. CONTE, and from Illinois, Mr. FINDLEY, in the other body, payment limitations will become a fact of life in the event a farm bill is passed.

I say to the Senator from Illinois that while I share many of his views, this is not the appropriate time to consider this limitation on an appropriation bill. When we have the farm bill before this body it will contain some payment limitation, one that some will feel is too high and others may feel is too low.

There is a recognition that perhaps farm programs should be tightened to exclude certain corporations, and such organizations mentioned by the distinguished Senator from Delaware. Let us not, in the meantime, penalize the American farmer because we pass the farm programs. The farmer does not come to us and say, "We want a \$20,000, \$30,000, or \$40,000 program." The programs are generally passed with a bipartisan majority and the farmer must then comply with it. Then many in this country criti-

cize the farmer for accepting the benefits under that program passed by Congress, not by farmer or farm organizations.

I trust on reflection we recognize that it is not the fault of the American farmer. If there is a fault, perhaps it is that of the legislative branch, and the executive branch.

In any event, I commend the Senator from Illinois for bringing this matter to the attention of the Senate but trust we may delay consideration until the farm bill is before us.

Mr. BYRD of West Virginia. Mr. President, I shall vote for H.R. 17923, which appropriates \$7.7 billion for the Department of Agriculture and related agencies for fiscal year 1971. While there are many features in this bill which will greatly assist the people of my State, there is much more that must be done to develop and strengthen our agricultural industry.

I first want to note, as a member of the subcommittee which considered this bill, that we will surely miss the able leadership of our chairman, the senior Senator from Florida (Mr. HOLLAND), who is retiring at the end of this Congress. Senator HOLLAND, who is also the ranking member of the Agriculture and Forestry Committee, has served as chairman of the Appropriations Subcommittee on Agriculture for the past 8 years. He is one of the leading experts in the country on agricultural matters, and his efforts on behalf of this important sector of the economy will be missed by all who understand that a strong agricultural industry is the backbone of a strong America.

Mr. President, among the items in this bill, the committee recommends \$128,457,000 for conservation operations which will be used to furnish technical assistance to farmers, ranchers, and co-operators in soil and water conservation districts. Included in this effort are funds for soil surveys which determine land capabilities and conservation treatment needs. In addition, the committee recommends \$9,043,000 for the conduct of cooperative river basin surveys and investigations which will assist in the development of a coordinated water resource program.

The committee also recommends \$5,434,000 for watershed planning, \$21,037,000 for flood prevention, and \$76 million for watershed works of improvement. West Virginia, with its mountainous topography, varied soil types, flooding problems, and surface mining of coal, has special resource problems that present many challenges. These funds will be used to further administer a watershed program which will benefit a large percentage of the State's population.

All of these programs, which I have just mentioned, are part of the Department of Agriculture's Soil Conservation Service, which is considered by many of my constituents as one of the most effective and beneficial programs offered by the Federal Government. In West Virginia, the Soil Conservation Service supplies technical assistance to the State's 14 soil and water conservation districts in developing revegetation plans for areas

disturbed by strip mining. The stabilization of these strip mine areas reduces the amount of lost sediment and pollution, enhances the esthetics of the countryside, improves the wildlife habitat, and increases the production of forest products.

The watershed program, provided for under Public Law 566, is making substantial progress in West Virginia. It benefits the local economy by furnishing flood protection for homes, businesses, industry, and agriculture. It creates additional jobs and a better way of life.

The committee recommends \$14,676,000 for the resource conservation and development program. The appropriation recommended is \$4,424,000 over the 1970 appropriation, and \$800,000 over the House bill and the budget estimate for 1971. Funds from this program are used to develop an overall program of land conservation and resource development. The mountain-dominion project in Mercer and Summers Counties in West Virginia has shown excellent results. The Little Kanawha Resource Conservation and Development program located in Wood, Wirt, Roane, Ritchie, and Calhoun Counties was one of the first 11 projects to be approved in the Nation, and it too has been very successful.

At my request, the committee included language in its report directing the Department of Agriculture to utilize existing research funds to develop detailed plans and specifications for the establishment of a Northeastern Appalachian Region Fruit Crop Research Station in West Virginia. This project is long overdue, and its implementation would be a major step in increasing the yield and quality of our fruits and berries, while at the same time reducing the costs of harvesting and production.

The committee recommends the full budget request for appropriations for the child nutrition program and the food stamp program. In addition, the committee has reinstated the special milk program, and has included \$104 million in order that the program may continue at the present level. These programs are of great importance to the people of West Virginia and the whole Nation, and will go a long way toward eradicating hunger among the less fortunate, particularly our schoolchildren. In a country so rich as ours, no child should attend school on an empty stomach.

Mr. President, this bill provides for an increase in funding for the Farmers Home Administration. The FHA, which was established in 1946, has greatly assisted the development of our rural areas, both in my State of West Virginia, and across the Nation. Throughout my service in the House of Representatives and in the Senate, I have always supported legislation to strengthen and expand the FHA loan programs so that credit will be available to more of our rural citizens.

During the past decade more than \$100 million was invested in West Virginia by the FHA. Today, there are 27 full-time offices and 28 part-time offices to serve the needs of West Virginians. I strongly urge that Congress increase this assistance in the decade ahead. We need improved housing, adequate water supply

and waste disposal systems for our smaller urban areas and rural communities. We need additional assistance for the small businessman and for the family farms.

Without the loan assistance provided for by this legislation, family farmers and other rural families in my State would be forced to quit the land and migrate to our Nation's overcrowded cities causing additional urban problems. FHA loans have helped over 700 families in West Virginia to buy farms with more than \$8 million in loans; and more than 8,000 families in West Virginia have been able to improve their farm operations with operating loans totaling more than \$19 million. To date, more than 839,000 persons in the rural areas of my State have benefited from the comprehensive water and sewer systems provided for under FHA.

The Farmers Home Administration has done much to better the life in rural areas of West Virginia. I intend to continue to support its efforts to strengthen family farms, to improve rural communities, and to provide economic and social opportunities for West Virginians.

Mr. President, as we worry more and more about the quality of our environment, our attention should not be limited to the plight of our cities. For it is our rural communities that provide the food and the natural resources which allow our cities to continue to live. The resource base of America must not be forgotten in the rush to determine national priorities. We must be vigorous and consistent in conserving and improving our soil and water resources. We must provide through adequate appropriations the indispensable weaponry of proper land and water management, so that America will remain strong in the future.

My State is what I would term a rural one, and what I have been saying about this bill is that its provisions will be highly beneficial to our area. These features to which I refer are the agricultural research programs, the soil conservation programs, the food and nutrition programs, the commodity programs, and the Farmers Home Administration. West Virginia cannot be called a metropolitan State, and it will not receive hundreds of millions of dollars in urban assistance. This legislation will fund to West Virginia an excess of \$65 million in agricultural assistance for fiscal year 1971. Money which will be used for the good of America, and I intend to fully support and vote for this bill.

Mr. President, I ask for the yeas and nays on the amendment of the able Senator from Illinois.

The yeas and nays were ordered.

Mr. INOUE. Mr. President, I rise today in opposition to the proposal to limit the amount of agricultural payments any one producer can receive. While this amendment does not in its present form apply to sugar, I am certain that should this move be successful, attempts will surely be made to include the sugar under this payments limitation either this year or next year. I do not believe I am exaggerating to say that should such an amendment limiting sugar pay-

ments be adopted, it would destroy the sugar industry in my State and have an extremely disastrous effect on Hawaii's economy. The sugar industry is one of the most important income-producing industries in Hawaii.

At the present time, the sugar industry in Hawaii employs approximately 11,300 persons on a year-round basis, with an annual payroll of \$71.7 million, including the cost of benefits, making them the highest paid agricultural workers in the world. I believe these figures alone adequately explain the effects this payments limitation would have on the economy of our small State.

It is expected that the application of such a payments limitation amendment could lead to very desperate times for the industry in Hawaii. Not only would some sugar plantations go out of business, but at the present time, there is no alternative use possible for most of the sugar lands. Only a very small fraction of the land could be used on an income-producing basis.

My opposition to the payments limitation is based on the unique nature of the present sugar program administered by the Federal Government. In 1934, the Congress enacted the Jones-Costigan Sugar Act. The essential features of the sugar program as it exists today are based on the 1934 act. At that time the Congress did not believe that it had the constitutional power to directly regulate the sugar production; however, it was acknowledged that the Congress had the power to tax. Therefore, a plan was devised which would tax the sugar industry for every hundred pounds of sugar produced. The major part of the revenue raised in this manner would then be returned to the producer who complied with the certain regulations such as to limit the crop to a particular quota for an area; employed no child labor; paid a minimum wage established by the Department of Agriculture. Thus, the sugar payments paid to producers are not a subsidy, but rather a refund of the taxes the producer pays, as long as he complies with certain prescribed regulations. Therefore, the sugar program as it was first established was merely a device to regulate the production of sugar since the Congress was in doubt as to its power to limit production. While the doubts as to the constitutionality of regulating agricultural production have been allayed; the form of the sugar program had not changed.

The compliance payments a producer can receive start at \$16 a ton and decrease to \$6 a ton with an increasing volume of production. Since most of Hawaii's sugar production is grown on large farms, these producers receive less in payments than they pay in taxes. Last year, according to figures compiled by the Department of Agriculture, Sugar Act payments to producers in the State of Hawaii amounted to \$10,462,831, while the excise tax paid by Hawaii farms amounted to \$11,820,000. Therefore, Hawaii producers pay more in taxes than they received in compliance payments. Granted the lower payments are basically a result of the large farms in Hawaii. However, the high cost of production and

marketing make necessary the economies resulting from large modern farm operations. Hawaii's closest market is 2,400 miles away on the west coast, and most of Hawaii's sugar is also refined there. In addition, much of Hawaii's land is mountainous and unsuitable for cultivation. Therefore, a large portion of the land planted in sugarcane must be irrigated—a very costly process. The modern equipment and machinery necessary to keep this product competitive with mainland beet sugar are also extremely expensive, thus making it most difficult for small farms to survive.

The excise tax collection from sugar producers goes into the general fund of our Treasury and it is interesting to note that since the sugar program began these taxes have exceeded producer payments by \$611.9 million. Therefore, I submit that the sugar program is a self-supporting one and clearly distinguished from other agricultural programs currently administered by the Federal Government.

I, therefore, urge that the payments limitation amendment be defeated and at the very least that sugar be excluded from its coverage for the reasons stated above.

In closing, I would like to summarize the reasons for my opposition to the payments limitations. Other States would also be severely hurt economically by a payments limitation. However, I submit that it would be particularly damaging to Hawaii, because of its geographic position and the reliance of our State's whole economy on sugar production. Second, the sugar program as presently devised is a self-supporting program with the payment of excise taxes and the return of a portion of these taxes as compliance payments. These payments are not subsidies, but are payments made to producers for complying with certain regulations.

Mr. FONG. Mr. President, I strongly oppose the Smith of Illinois amendment which would set a \$20,000 limitation on payments to farmers. The Smith amendment would place a \$20,000 ceiling on payments under any price support program—that is, feed grains, wheat, wool, and cotton. The sugar program is specifically excluded.

Such a limitation should not be offered to the pending agriculture appropriations bill. For as we all know, before adjourning this year, the Senate will consider a major farm authorization bill. The authorizing legislation, and not the appropriations bill, is the proper vehicle for thorough and comprehensive debate on price support programs and other farm programs.

Two years ago, the Senate rejected attempts to place limitations on payments to farmers when the farm authorization bill was considered. The pending amendment is an attempt to do through the appropriations process what the Senate failed to do through the authorization process. There will be ample opportunity to consider the question of a limitation when the farm authorization bill is brought up for Senate debate and action later this session.

This is the sensible and orderly procedure.

Our Nation's farm programs are too

complex to tinker with by means of a payments ceiling such as proposed in the Smith amendment.

Let me cite additional reasons against the \$20,000 limitation.

It would keep controls on large farmers but would deny them payments of over \$20,000 for complying with these controls.

It discriminates against large farmers and legal entities. While individual farmers could collect up to \$20,000, it would prevent farmers in partnership or other joint organizations from collecting more than \$20,000.

It discriminates against stockholders of companies who operate large farm enterprises. While an individual farmer could receive as much as \$20,000, the individual stockholder could not. A farm enterprise owned by 100 stockholders, for example, could not be eligible for more than \$20,000. Stockholders would get the short end of the stick.

It would very likely invite subterfuge. A large individual farmer who is now entitled to more than \$20,000 might decide to break up his farm. His wife could own one part of it, he could own another, and if he had any adult children, they could own other segments. In this way, each could perhaps qualify for the maximum of \$20,000. The intent of the Smith amendment could thereby be evaded.

Similarly, large company-owned farms might be able to subdivide the ownership in order to qualify for separate agricultural payments, thereby circumventing the intent of the Smith amendment. Those large companies unable to subdivide their ownership would be discriminated against and possibly could be forced out of business.

Such a limit, which fails to provide any substitute program for the protection of farm industries affected by the amendment would seriously disrupt several of America's basic farm programs, which help provide a cornucopia of foodstuffs and fibers at moderate prices.

As the Smith limitation is written, sugar producers are exempt from the \$20,000 ceiling. But all my colleagues should understand that if approved, this amendment would be followed by another amendment to place a similar \$20,000 limitation on compliance payments to sugar producers. Proponents of the limitation have made this clear in the past.

Such a limitation would be grossly unfair to sugar farmers in America. It would deny them an important part of their farm income by cutting back on their compliance payments under the Sugar Act. Yet it would not allow them to recoup this loss through price adjustments in the marketplace or through repeal of the Federal excise tax of 50 cents per hundredweight on all sugar refined in the United States.

The fact is, the proposed \$20,000 limitation if extended to sugar would leave standing the Federal excise tax. It would also leave standing the provision in the Sugar Act which effectively provides a ceiling on the price of sugar a domestic sugar farmer can obtain for his crop.

The Sugar Act controls sugar prices. It controls sugar production. It establishes sources of sugar supply. It includes tax

and payback provisions—compliance payments—which are not subsidies, but are part of Federal regulation of the sugar industry.

Payments are made to domestic sugar producers who comply with production restrictions, pay "fair" wages to workers, agree not to employ child labor, and if they are processors pay "fair" prices for sugarcane.

These payments are made out of the U.S. Treasury out of funds obtained from the Treasury's collection of the excise tax on all sugar, foreign and domestic, processed in the United States.

Over the life of the Sugar Act, the Federal Government has profited to the tune of more than \$500 million on the sugar program. In other words, the Federal Government has collected more than half a billion dollars more in sugar excise taxes than it has paid out in compliance payments to domestic sugar producers.

Under the Sugar Act, smaller producers of sugar receive more per ton in compliance payments than large producers. Growers who produce 350 tons of sugar or less are entitled to the maximum authorized compliance payment of \$16 a ton—or 80 cents per hundredweight. Large growers receive less per ton, with largest producers paid \$6 a ton.

In 1965, the latest year for which I have figures, compliance payments to Hawaii producers totaled \$10,840,000 whereas the excise tax paid on Hawaii sugar totaled \$12,319,060. So even under the present Sugar Act, excise taxes on Hawaii sugar exceed compliance payments to Hawaii sugar producers.

If a \$20,000 limitation on payments were imposed, the excise tax on Hawaii sugar would still be collected—approximately \$12,000,000—and Hawaii sugar producers could collect in compliance payments only about \$1,639,000.

The consequence of such a limitation in my State of Hawaii, which produces one-sixth of all the sugar produced in America, would be destruction of the sugar industry in Hawaii. It would destroy the jobs of some 11,300 year-round sugar workers in my State. Hawaii's sugar workers are the highest paid agricultural workers in the world, earning \$30 a day with fringe benefits. The sugar payroll in Hawaii annually runs about \$71,700,000 including fringe benefits.

Where would so many workers find substitute jobs? Where would Hawaii sugar producers find a new source of income? There are no alternative agricultural uses for most of the acreage now devoted to sugarcane in Hawaii. Only a tiny fraction of the land could be converted to produce income.

In 1968, the payment made to Hawaii's largest sugar producers was \$7 a ton; whereas the payment to Hawaii's smallest producer was \$16 per ton.

Total compliance payments in 1968 to Hawaiian sugar companies ranged from a low of \$53,542 to a high of \$1,311,267, with the majority of companies, who are large sugar producers, receiving over \$200,000.

These large payments are necessitated by the special nature of sugar cane pro-

duction. Unlike many other agricultural commodities, sugar cane needs vast acreages in order to attain high efficiency. Hawaii sugar producers must plant enormous acreage before they can produce a high output of cane and achieve the efficiency of labor that will make Hawaii's sugar competitive in the marketplace.

There are about 240,000 acres devoted to cane, and at least one-half of this acreage must be irrigated. Because of Hawaii's mountainous terrain, expansion of acreage is limited and costly. Sugar producers have spent large sums of their own money—none Federal—to develop and operate wells, reservoirs, ditches, and tunnels of the elaborate irrigation systems now in use. Hawaii's sugar industry also spends more than \$2½ million annually on sugar research—an activity financed by the producers since 1895. We have had a sugar research program for more than 70 years. As a result of the Hawaii sugar industry's own efforts, Hawaii has one of the highest sugar yields per acre of any area of the world.

Efficiency per acre is a "must" for Hawaii's sugar producers, considering the cost of modern equipment, the cost of its skilled labor, and the great distance of Hawaii from mainland markets. Hawaii's closest market for sugar is San Francisco, some 2,400 miles away. Most of the Hawaiian sugar is refined at Crockett, near San Francisco, and is marketed in 26 Western and Midwestern States, including Alaska.

These are some of the compelling reasons for development and operation of large farming units in Hawaii. There are 24 large sugar plantations which produce some 93 percent of Hawaii's sugar. The other 7 percent is produced by 750 small independent growers. As I have already stated, the small producers receive higher compliance payments per ton than the large producers; that is, \$16 per ton as compared to \$7 for large producers. Since compliance payments are based on total farm production and most Hawaiian sugar is produced on the large plantation company farms, many of the total payments are large.

In every year since the inception of the Sugar Act 36 years ago, the excise tax paid on sugar produced in Hawaii has substantially exceeded the compliance payments to our sugar companies.

Over the period of the last 10 years, a majority of the sugar producers in Hawaii would have operated at a net loss if there were no compliance payments. In fact, many of our companies were in the red even with these payments. Any lowering of the ceiling on compliance payments would sound the death knell for Hawaii's sugar industry.

It would be an economic disaster for my State, which is the largest sugar producing State.

The \$20,000 limitation, if extended to sugar, which it will be if the Smith amendment passes, would plunge the economy of Hawaii into a tailspin from which it would be very difficult to recover.

It would destroy the jobs of more than 11,300 sugar workers and the investment of 12,500 individual stockholders in Hawaii's \$200,000,000 sugar industry.

More than two-thirds of the stockholders live in Hawaii.

While I have spoken in some detail about the adverse effect of a \$20,000 ceiling on payments to sugar producers in Hawaii, there is no question the limitation would also place the sugar industry in other domestic areas in serious jeopardy.

I remind my colleagues that the sugar program has been in operation for 35 years. Congress has reexamined and extended the basic legislation some 12 times during these 35 years. Yet the program has remained substantially unchanged. This is proof of how well it has worked.

From the standpoint of the American consumer, the sugar program has worked exceptionally well. American consumers today pay less for their sugar than consumers in practically all of the developed nations of the world and less than is paid in some of the undeveloped countries of Africa and Asia. The retail price of sugar has gone up less in recent years in America than the price of most other staples on the grocery shelf. And, remember, the sugar program is self-financing, even returning a profit of \$549 million to the U.S. Treasury.

In conclusion, I shall summarize my strong opposition to the Smith amendment to impose a \$20,000 limitation on payments to farmers.

It would use the agriculture appropriations bill to effect substantive changes in farm programs, which if changed at all should be done in the agriculture authorizing legislation. The Senate and House Agriculture Committees are currently drafting new farm legislation for consideration by the Senate and House.

It would keep controls on large farmers but would deny them payments of more than \$20,000 for complying with these controls.

It discriminates against large farmers and legal entities.

It discriminates against stockholders of companies who operate large farm enterprises.

It would very likely invite subterfuge.

It would seriously disrupt some of America's major farm programs, which help provide a cornucopia of foodstuffs and fibers at moderate prices. It fails to provide any substitute program for the protection of American farmers affected by the amendment.

If adopted, the Smith limitation of \$20,000 would lead to a similar limitation on payments to sugar producers. This would cause the death of the sugar industry in Hawaii and would seriously disrupt the sugar industry elsewhere in America.

I strongly urge defeat of the Smith amendment setting a \$20,000 ceiling on payments to farm producers of cotton, feed grains, and wheat.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois. On this question the yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Connecticut (Mr. DODD), the Senator from Tennessee (Mr. GORE), the Senator from Oklahoma (Mr. HARRIS), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. McCARTHY), the Senator from Wyoming (Mr. McGEE), the Senator from Utah (Mr. MOSS), the Senator from Georgia (Mr. RUSSELL), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Indiana (Mr. HARTKE) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL), the Senator from North Carolina (Mr. JORDAN), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Ohio (Mr. YOUNG) are absent on official business.

I further announce that, if present and voting, the Senator from Connecticut (Mr. RIBICOFF) would vote "yea."

I further announce that, if present and voting, the Senator from North Carolina (Mr. JORDAN), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Alabama (Mr. SPARKMAN) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. CURTIS), the Senator from California (Mr. MURPHY), and the Senator from Maine (Mrs. SMITH) are necessarily absent.

The Senator from Kentucky (Mr. COOK), the Senator from New York (Mr. JAVITS), the Senator from Illinois (Mr. PERCY), and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from South Dakota (Mr. MUNDT) would vote "nay."

On this vote, the Senator from Illinois (Mr. PERCY) is paired with the Senator from California (Mr. MURPHY). If present and voting, the Senator from Illinois would vote "yea" and the Senator from California would vote "nay."

On this vote, the Senator from New York (Mr. JAVITS) is paired with the Senator from Nebraska (Mr. CURTIS). If present and voting, the Senator from New York would vote "yea" and the Senator from Nebraska would vote "nay."

The vote was recapitulated.

Mr. WILLIAMS of Delaware. Mr. President, the regular order.

The PRESIDING OFFICER. The regular order has been called for.

The result was announced—yeas 40, nays 35, as follows:

[No. 221 Leg.]

YEAS—40

Allott	Hart	Pastore
Bayh	Hatfield	Pell
Bible	Hughes	Prouty
Boggs	Jackson	Proxmire
Brooke	Jordan, Idaho	Randolph
Byrd, Va.	Kennedy	Saxbe
Byrd, W. Va.	Mansfield	Schweiker
Cannon	Mathias	Scott
Case	McGovern	Smith, Ill.
Church	McIntyre	Spong
Cotton	Mondale	Williams, N.J.
Dominick	Muskie	Williams, Del.
Goodell	Nelson	
Griffin	Packwood	

NAYS—35

Alken	Ervin	McClellan
Allen	Fannin	Metcalf
Baker	Pong	Miller
Bellmon	Fulbright	Montoya
Bennett	Goldwater	Pearson
Burdick	Gurney	Stennis
Cooper	Hansen	Talmadge
Cranston	Holland	Thurmond
Dole	Hollings	Tower
Eagleton	Hruska	Yarborough
Eastland	Inouye	Young, N. Dak.
Ellender	Long	

NOT VOTING—25

Anderson	Jordan, N.C.	Russell
Cook	Magnuson	Smith, Maine
Curtis	McCarthy	Sparkman
Dodd	McGee	Stevens
Gore	Moss	Symington
Gravel	Mundt	Tydings
Harris	Murphy	Young, Ohio
Hartke	Percy	
Javits	Ribicoff	

So the amendment offered by Mr. SMITH of Illinois for himself and Mr. WILLIAMS of Delaware was agreed to.

Mr. WILLIAMS of Delaware. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PEARSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT OF THE NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES ACT OF 1965

Mr. YARBOROUGH. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3215.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3215) to amend the National Foundation on the Arts and the Humanities Act of 1965, and for other purposes which was to strike out all after the enacting clause, and insert:

That section 2(2) of the National Foundation on the Arts and Humanities Act of 1965 is amended by inserting before the semicolon at the end thereof the following: "in order to achieve a better understanding of the past, a better analysis of the present, and a better view of the future".

SEC. 2. Section 3(a) of the National Foundation on the Arts and Humanities Act of 1965 is amended by inserting "comparative religion; ethics;" after "archeology;" and by inserting before the period at the end thereof the following: "with particular attention to the relevance of the humanities to the current conditions of national life".

SEC. 3. (a) Section 5(c) (3) of the National Foundation on the Arts and Humanities Act of 1965 is amended by inserting after "enable them" the following: "to achieve wider distribution of their works, to work in residence at an educational or cultural institution, or".

(b) Section 5(h) (3) of such Act is amended to read as follows:

"(3) Funds allocated to carry out the purpose of this subsection for any fiscal year shall be equally allotted among the States, but no State shall receive less than \$75,000 for any fiscal year."

(c) Section 6(b) of the National Arts and Cultural Development Act of 1964 is amended by adding at the end thereof the following: "Upon expiration of his term of office the Chairman shall serve until his successor shall have been appointed and shall have qualified."

SEC. 4. (a) Section 6 of the National Foundation on the Arts and the Humanities Act

of 1965 is amended by inserting a new subsection "(c)" to read as follows:

"(c) (1) The Council may establish an Executive Committee which shall be composed of five members and shall exercise such powers and functions as may be delegated to it by the Council. The Chairman of the Council shall be one of the five members and shall be Chairman of the Executive Committee.

"(2) The Council may select four members to serve on the Executive Committee along with the Chairman of the Council, two of whom shall serve for a term of one year and two for a term of two years. Thereafter each member of the Executive Committee shall serve for a term of two years so long as an Executive Committee exists. The Executive Committee may be discontinued by the Council at any meeting and thereafter reestablished. Any person, other than the Chairman, who has been a member of the Executive Committee for four consecutive years shall be ineligible for service as a member of the Committee during the one-year period following the expiration of such fourth year.

"(3) Any person selected as a member of the Executive Committee to fill a vacancy occurring prior to the expiration of the term for which his predecessor was selected shall serve for the remainder of such term.

"(4) The Executive Committee shall report its actions for review to the next meeting of the Council."

(b) Section 8 of the National Arts and Cultural Development Act of 1964 is amended by striking out "exceeding \$75 per diem" and inserting in lieu thereof "to exceed the per diem equivalent of the rate authorized for grade GS-18 by section 5332 of title 5, United States Code" and by striking out "(5 U.S.C. 73b-2)" and inserting "(5 U.S.C. 5703)".

SEC. 5. Section 7 of the National Foundation on the Arts and the Humanities Act of 1965 is amended by:

(a) amending subsection (b) (2) by adding at the end thereof the following: "Upon expiration of his term of office the Chairman shall serve until his successor shall have been appointed and shall have qualified."

(b) amending subsection (c) (2) to read as follows:

"(2) initiate and support research and programs to strengthen the research and teaching potential of the United States in the humanities by making arrangements (including contracts, grants, loans, and other forms of assistance) with individuals or groups to support such activities."

(c) amending subsection (c) (5) by inserting after "groups," the following: "education in".

SEC. 6. Section 8 of the National Foundation on the Arts and the Humanities Act of 1965 is amended by—

(a) amending subsection (e) to read as follows:

"(e) Members shall receive compensation at a rate to be fixed by the Chairman but not to exceed the per diem equivalent of the rate authorized for grade GS-18 by section 5332 of title 5 of the United States Code and be allowed travel expenses including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently."

(b) adding a new subsection (g) to read as follows:

"(g) (1) The Council may establish an Executive Committee which shall be composed of five members and shall exercise such powers and functions as may be delegated to it by the Council. The Chairman of the Council shall be one of the five members and shall be Chairman of the Executive Committee.

"(2) The Council may select four members to serve on the Executive Committee along with the Chairman of the Council, two of whom shall serve for a term of one year and two for a term of two years. Thereafter each

member of the Executive Committee shall serve for a term of two years so long as an Executive Committee exists. The Executive Committee may be discontinued by the Council at any meeting and thereafter reestablished. Any person, other than the Chairman, who has been a member of the Executive Committee for four consecutive years shall be ineligible for service as a member of the Committee during the one-year period following the expiration of such fourth year.

"(3) Any person selected as a member of the Executive Committee to fill a vacancy occurring prior to the expiration of the term for which his predecessor was selected shall serve for the remainder of such a term.

"(4) The Executive Committee shall report its actions for review to the next meeting of the Council."

SEC. 7. Section 10 of the National Foundation on the Arts and Humanities Act of 1965, as amended, is amended by—

(a) inserting a new subparagraph "(a) (7)" to read as follows:

"(7) To make advance, progress, and other payments without regard to the provisions of section 3648 of the Revised Statutes (31 U.S.C. 529)."

(b) redesignating former subparagraph "(a) (7)" as subparagraph "(a) (8)".

SEC. 8. Section 11 of the National Foundation on the Arts and Humanities Act of 1965 is amended by—

(a) repealing subsections (a) and (c), effective June 30, 1970, and substituting therefor the following:

"(a) For the purpose of enabling the Foundation to carry out its responsibilities, there is hereby authorized to be appropriated to the Foundation \$40,000,000 for the fiscal year ending June 30, 1971, and for each of the two succeeding fiscal years such sums as the Congress may deem necessary to carry out the provisions of this Act. Sums appropriated under the authority of this subsection shall remain available until expended."

(b) amending subsection (b) to read as follows:

"(b) In addition to the sums authorized by subsection (a), there is authorized to be appropriated to each Endowment for the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years an amount equal to the total of amounts received by that Endowment under section 10(a) (2) of this Act. Amounts appropriated to an Endowment under this subsection shall remain available until expended."

Mr. YARBOROUGH. Mr. President, I move that the Senate disagree to the amendments of the House of Representatives and request a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. PELL, Mr. NELSON, Mr. CRANSTON, Mr. JAVITS, and Mr. MURPHY conferees on the part of the Senate.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1971

The Senate continued with the consideration of the bill (H.R. 17923) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes.

Mr. BOGGS. Mr. President, the bill now under consideration, H.R. 17923, contains an appropriation of 200,000 to operate the U.S. Department of Agricul-

ture Poultry Research Laboratory near Georgetown, Del.

This figure represents only little more than one-third of the full operational cost of \$580,000 a year for the laboratory. It will provide for four scientific personnel and their supporting technicians and overhead.

Mr. President, the operational funding of this laboratory is most important, I believe, in terms of the good of the poultry industry and in terms of common-sense in Government spending. This laboratory, built with more than \$500,000 of Federal money, has stood idle since its completion more than a year ago. Without operational funding, the facility would represent a monument to lack of governmental foresight.

The budget estimates for fiscal year 1971 provided funding to the tune of \$53,000 for the laboratory. This would have provided only one scientist—less than 10 percent of the laboratory's full operational capability.

This will be the only poultry laboratory in the country to emphasize research on meat and egg quality. Research projects will include studies on nutritional, genetic, physiological and management factors affecting breast blister, bruises, pigmentation, flavor, tenderness, juiciness, and eggshell quality. This research should result in improved acceptance of poultry products by the consumer, as well as reduced losses to the producer and processing industry.

It is estimated that industry losses due to downgrading of broilers, reduced prices for mature chickens and old turkeys and similar losses related to meat quality amount to at least \$211 million annually in the United States. In addition, losses due to poor eggshell results in losses to the industry of about \$292 million annually.

Mr. President, this laboratory is vitally important to the State of Delaware and the entire Delmarva Peninsula, which produces 13 percent of the Nation's broilers. But it is equally important to the poultry industry nationally and to the millions of American consumers.

TROPICAL FRUIT FLY PILOT RESEARCH PROGRAM

Mr. FONG. Mr. President, I appreciate the action of the Appropriations Committee in including in the pending agriculture appropriations bill (H.R. 17923) my request for \$500,000 for an expanded tropical fruit fly research program in Hawaii. This will permit a pilot program to be undertaken in the current 1971 fiscal year.

This research project is under the Agricultural Research Service and is described on page 5 of the committee report as "Cooperatively financed research to eliminate the Mediterranean fruit fly and melon fly from Hawaii."

I have received assurance from Gov. John A. Burns of Hawaii that the State will continue to share the cost of the tropical fruit fly research program. In a letter dated July 1, Governor Burns wrote me:

As for cost-sharing by the State, we have and will continue to furnish the services of personnel and facilities totaling \$50,000 to \$100,000 per year.

I have also received assurance orally from Dean C. Peairs Wilson of the University of Hawaii College of Tropical Agriculture that his college will continue its contribution of \$200,000 toward the cost of this research program. I understand a letter is en route to me from Dean Wilson confirming this.

As I explained in my May 27 letter to my able and distinguished colleague, Senator SPESARD L. HOLLAND, chairman of the Senate Agriculture Appropriations Subcommittee, on which I serve, the \$500,000 per year research expansion would be programed for 3 to 5 years.

The sum would be expended approximately as follows:

Construction of temporary rearing facilities for the Mediterranean fruit and melon fly-----	\$100,000
Rearing equipment and supplies to produce 125 million flies per week-----	162,500
Specific baits and lures for the three species of fruit flies-----	114,000
Distribution of lures and sterile flies-----	63,500
Seasonal labor for sterile fly releases, air drop of lures, and trapping operations-----	60,000
Total-----	500,000

Construction funds would not be needed after the first year. This amount in subsequent years would be used to increase the production of flies and to expand all operations to the maximum level for the conduct of adequate pilot tests.

To conduct this proposed large-scale pilot test, the present facilities at Honolulu and Hilo would be made available. Also, construction of a temporary mass rearing building and rental of temporary office and laboratory space on islands encompassing the pilot areas would be made.

Funds are urgently needed in fiscal 1971 as a first important step in determining and planning whether a statewide eradication campaign against the Mediterranean fruit fly, *Ceratitis capitata*, the oriental fruit fly, *Dacus dorsalis*, and the melon fly, *Dacus cucurbitae*, in Hawaii can be successfully carried out in the foreseeable future. In determining and planning this, one of the islands would be selected for establishing pilot field tests. The entire island would be used for the purpose.

Time is of the essence for this interim research. The risk of fruit fly infestation becoming established in mainland crops is rapidly growing. Because of the increasing speed and volume of interstate commerce of passengers and fresh produce between Hawaii and California, the threat of accidental introduction of these harmful insects into the mainland has intensified. Plant quarantine inspectors at the Honolulu International Airport are busy trying their best to prevent accidental escapes. But the current practice of selective inspection of baggage for fresh produce, while speeding inspection, has not proved wholly effective in stopping fruit flies to California. In September of 1969 eight oriental fruit flies were found in the El Monte area of Los Angeles County. The county agricultural

commissioner said the flies probably came from Hawaii.

Currently, the Entomology Research Division, U.S. Department of Agriculture, conducts three fruit fly investigation programs in the State of Hawaii—one in Hilo, and the other two in Honolulu.

The Hilo program has both small field and laboratory projects on the environmental and biological studies of the three species of fruit flies, which is financed by a \$97,450 annual budget. One Honolulu laboratory program on the study of developing new eradication methods for these flies is financed by a \$326,950 annual budget. The other Honolulu program is on the commodity treatment of fresh produce shipments to the mainland United States, and is financed by a \$107,500 annual budget.

During the past 15 years, the Hawaii fruit fly investigations, among other projects, have been programed at developing more selective techniques for the eradication of the three tropical fruit flies. They have developed laboratory techniques which it is believed could be applied to populated areas without danger to the public and without dangerous pesticide residues in the environment. However, pilot operations are needed to test the feasibility of these techniques.

Federal entomologists have developed a highly effective eradication technique, the male annihilation, for the oriental fruit fly. This technique involves the use of a selective lure to which only the males are susceptible. The lure is combined with a minute amount of a nonpersistent insecticide as a bait. The technique has reduced the cost of eradication of the oriental fruit fly by about 90 percent on the islands of Rota, Saipan, and Tinian.

The male annihilation technique is also being developed for the eradication of the melon fly. But large-scale pilot tests must be conducted to prove the feasibility of this method for melon fly.

The Mediterranean fruit fly cannot now be eradicated by the male annihilation method. Further research on methods of eradicating this species is needed.

Of interest is that Federal entomologists have developed a sterilized male insect release technique involving the sterilization of males by irradiation and the release of such males in the open. This technique can be used for all three species of flies—the oriental, the melon, and the Mediterranean fruit flies.

I understand a weekly distribution of about 125 million sterilized males is required for pilot testing under the proposed expanded research. Current facilities in Hawaii for survey, rearing, irradiation, and distribution of such insects are woefully inadequate.

Already, the three flies are causing the Hawaii fresh produce industry a yearly damage loss amounting to about \$1.5 million. I am deeply concerned about the infestation in Hawaii, and I am deeply concerned that establishment of the fruit flies in California, Florida, Louisiana, Texas, and other States cultivating subtropical and tropical crops, would result in an estimated annual loss of \$150 million to citrus, deciduous fruits, and vegetables.

Eradication of the three species of fruit flies from Hawaii would relieve the constant hazard of these flies being accidentally introduced to the mainland United States. On the basis of the two newly developed eradication techniques, I have been greatly encouraged that these fruit fly species can be eliminated from the State of Hawaii.

A statewide campaign in Hawaii, to be carried out after the interim research, would be far less costly than an eradication campaign on the mainland United States if fruit fly infestations became established in some of the States.

Therefore, I request that the sum of \$500,000 be included in the 1971 Department of Agriculture appropriation bill so that pilot tests on integration and use of the new eradication techniques for the three tropical fruit flies can be started in Hawaii during the fiscal year which began July 1.

Mr. President, additional information on the need and justification for this tropical fruit fly research program is contained in a memorandum prepared this spring by the Entomology Research Division of the Agricultural Research Service, U.S. Department of Agriculture. I ask unanimous consent that the entire memorandum be printed in the RECORD at this point.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

HAWAIIAN FRUIT FLIES INVESTIGATIONS, AGRICULTURAL RESEARCH SERVICE, U.S. DEPARTMENT OF AGRICULTURE, HONOLULU AND HILO, HAWAII

The Department's Entomology Research Division, Hawaiian Fruit Flies Investigations, is composed of three programs; one at Hilo and two at Honolulu. The objective of our Hilo program is to study techniques and develop methods for control and eradication of Mediterranean fruit fly, *Ceratitis capitata* (Wiedemann), melon fly, *Dacus cucurbitae* Coquillett, and oriental fruit fly, *Dacus dorsalis* Hendel. Our research approach is to obtain information on host preferences, behavior, biology, and interspecific competition of fruit flies in relation to the control of these pests in large area tests. Bait spray combinations, lures, sterilization, insecticides, male annihilation, and other techniques for control or eradication of these three species of tropical fruit flies need to be evaluated in large plot field tests. Lures for fruit flies are now screened under field conditions.

The major objective of our Honolulu research group is to improve present methods and develop new methods for detection, suppression, or eradication of oriental fruit fly, Mediterranean fruit fly, melon fly, and other pests of subtropical fruits in Hawaii that threaten crops of the mainland United States. Their approach to this objective is to develop more effective and cheaper bait sprays and ultra low volume insecticidal control methods, sterilization and biological control methods, to suppress or eradicate fruit flies in Hawaii and incipient infestations that may occur in mainland U.S. Cheaper and more efficient methods for mass rearing fruit flies and more efficient lures with greater specificity for detection of fruit flies and for use in the elimination of isolated fruit fly populations are developed. Ecology, behavior, food preferences, population dynamics, and other biological information on fruit flies are determined.

The program on Hilo is supported by \$97,450. The program at Honolulu is supported by \$326,950.

A second major objective of our Honolulu research group is to develop and improve methods for treating fruits and vegetables infested with insect pests to permit movement without risk of introduction of these pests into mainland United States or other uninfested areas. The approach of this group is to determine dosages, exposure periods and temperatures with various fumigants that will destroy all life stages of the pest species in the product and also tolerance of commodity to the treatment. Effectiveness of new chemicals as fumigants and new techniques individually and in combination are evaluated. Effectiveness of irradiation and dosages required for destruction of fruit insect pests are determined. Chemical residues and rate of disappearance in fumigant commodities are determined. The research on treatment of commodities to meet quarantine requirements involves 2 scientific man years of research and funds totaling \$107,500.

STAFF AND FACILITIES FOR LARGE-SCALE PILOT TESTS TO DEVELOP ALTERNATIVE METHODS FOR THE ERADICATION OF HAWAIIAN FRUIT FLIES

In order to conduct large scale pilot test of new eradication techniques an increase of \$500,000/year for an estimated period of 4 years would be required. This estimate is based on the realization that eradication techniques must be developed for each of three species of fruit flies before a total fruit fly eradication effort can be undertaken in Hawaii. Construction of a temporary mass rearing building and rental of temporary office and laboratory space on islands encompassing the experimental areas would be needed. Scientific personnel would be assigned from other projects to conduct this research and existing vacancies in our staff would be filled.

The requirements for funds to support the proposed large scale pilot tests would be expended approximately as follows:

Construction of temporary rearing facilities for the Mediterranean fruit fly and melon fly-----	\$100,000
Rearing equipment and supplies to product 125 million flies/week--	162,500
Specific baits and lures for the three species of fruit flies-----	114,000
Distribution of lures and sterile flies-----	63,500
Seasonal labor for sterile fly releases, air drop of lures, and trapping operations-----	60,000
Total -----	500,000

! After the first year these funds would be used to increase the production of flies and to expand all operations to the maximum level for the conduct of adequate pilot tests.

The above data is provided for information only and should not be considered as a request by this Service or the Department for additional funds not included in the President's 1971 budget.

RESEARCH REQUIREMENTS TO DEVELOP ALTERNATIVE METHODS FOR THE ERADICATION OF HAWAIIAN FRUIT FLIES

Statement of problem

ARS research on tropical fruit flies in Hawaii during the past 15 years has been aimed at producing biological and highly selective alternative methods for eradication of the oriental and Mediterranean fruit flies and the melon fly from Hawaii. A new eradication technique (male annihilation) was demonstrated to be effective in experimental eradication of the oriental fruit fly from Rota, Saipan, and Tinian in the Mariana Islands. This technique involves the use of a highly selective lure combined with a minute amount of a nonpersistent insecticide. Research on the use of sterile insect releases for the eradication of all three species has been promising. Many basic and applied

phases of this research have been completed on a laboratory and small-plot scale. However, certain aspects of research on the sterility and the male annihilation techniques need further development. Large-scale pilot tests are necessary to perfect these two alternative methods for eradication of all three species under Hawaii conditions.

Because of the increasing speed and volume of interstate commerce of airline passenger and fresh produce between Hawaii and California, the threat of accidental introduction of these harmful insects into the mainland has intensified. The practice of selective inspection of baggage for fresh produce, while speeding inspection, has not proved wholly effective in stopping the movement of fruit flies to California. An incipient infestation of the oriental fruit fly was found in the El Monte area of Los Angeles County during the fall of 1969 that required regulatory and control action to eliminate the infestation.

A meeting held January 22, 1970, in Senator Inouye's office, attended by the entire Hawaii Congressional delegation and representatives of Regulatory, Control, and Research Divisions of Agricultural Research Service concluded that eradication of the three species of fruit flies from Hawaii is needed to eliminate the constant hazard of these flies being imported to the mainland. Establishment of the three species of fruit flies on the mainland would result in an estimated annual loss of \$150 million to citrus, deciduous fruit, and vegetable crops.

The House of Representatives Fifth Legislature, 1970, State of Hawaii House Concurrent Resolution No. 24 requests action to provide assistance to the United States Department of Agriculture Fruit Fly Laboratory in Hawaii for the eradication of fruit flies in Hawaii.

Nature of research required

Based on present knowledge, methods, and experience in fruit fly eradication, it is believed that it would be possible to eradicate all three of the Hawaiian fruit fly species at a cost of \$15-25 million. The procedure requires application of low volume formulations of insecticide combined with a protein bait. However, wide scale use of this technique, necessary for the success of such a program, would be objectionable. Not only would it be incompatible with biological control programs, but it probably would not have public acceptance because of the present public concern with respect to environmental hazards involving the extensive use of insecticides.

The goal of ARS research is to develop procedures that will either not require the use of chemical insecticides or will require a minimum use in an integrated program involving noninsecticidal methods. The male annihilation technique has reduced the cost of eradication of the oriental fruit fly by about 90%. The development of this technique for the melon fly or Mediterranean fruit fly would greatly reduce the cost of eradication of all three species. The development of the sterile insect release technique would provide an eradication method that is highly selective in action against fruit fly species and will not pollute the environment with hazardous insecticide residues that affect non-target organisms. The use of attractants and sterile insects simultaneous or in sequence may be more effective and practical than either method employed alone.

Staff and facilities needed

In order to conduct this research an increase of \$500,000/year for 3-5 years is proposed. This estimate is based on the realization that eradication techniques must be developed for each of three species of fruit flies before a total fruit fly eradication effort can be undertaken in Hawaii. Facilities will be made available by reallocation of present space, constructing a temporary mass rearing building, and renting temporary office and

laboratory space on islands encompassing the experimental areas. Scientific personnel will be assigned to conduct this research from other projects, or by filling existing vacancies on our staff.

SOIL AND WATER CONSERVATION IN MINNESOTA

Mr. MONDALE. Mr. President, I support H.R. 17923, the agriculture appropriations bill. I particularly commend the distinguished Senator from Florida (Mr. HOLLAND) and the other Senators for their actions regarding the agricultural conservation program, the Soil Conservation Service, and the rural electrification program.

Earlier in this session I spoke to the Senate on the value of retaining the ACP and funding REA. I am pleased that the committee has not eliminated the agricultural conservation program as suggested by the administration. Their action in increasing funds for rural electrification and rural telephone loans is also commendable.

Although I would have liked to see the committee stress the need for a continued rural development effort—and I have not given up on a concerted USDA effort in this area—the measure before us today offers a reasonable budget for rural America.

Mr. President, I wish to bring to the attention of Senators the good work in soil and water conservation which is going on in the State of Minnesota.

The efforts in conservation of soil, water, forests, and related resources have done much to improve the quality of the environment in my State.

Minnesota is blanketed by 90 soil and water conservation districts. They cover 49 million acres of land. Each district has a conservation program to fit its local problems. It uses a combination of local, State, and Federal services to put its own program into effect on individual farms and in communitywide projects.

Each district is self-governed. Each has authority to enter into working agreements with other governmental agencies and with private concerns to carry out its purposes.

Some 500 dedicated lay leaders in Minnesota are giving inspired and strong direction as the governing bodies of Minnesota's 90 soil and water conservation districts. Their primary source of assistance from the Federal Government is from the Soil Conservation Service and its dedicated corps of soil conservation scientists and technicians.

The Soil Conservation Service is furnishing assistance to the citizens of Minnesota through three primary sources:

First. Onsite technical assistance to individuals and groups in preparing and applying conservation plans for their land.

Second. The watershed protection and flood prevention authority under Public Law 566.

Third. The resource conservation and development projects authorized by the Food and Agriculture Act of 1962.

CONSERVATION PROTECTS YOUR ENVIRONMENT

The technically trained conservationist is the key to the effective assistance from the Soil Conservation Service. In Minnesota these conservationists are

counseling 58,000 soil and water conservation district cooperators on land-use decisions, erosion control, water management, and other natural resource management problems. The foundation for technical advice is the scientific soil survey, prepared by soil scientists. They interpret the information for use by rural and urban landowners. The data is useful for such land uses as crop production, building sites, waste disposal, recreation, wildlife and land use planning and zoning.

A major benefit of conservation practices is pollution abatement. Conservation practices help improve the quality of man's environment.

Mud is the largest pollutant, by volume, of our streams, lakes, and harbors. Mud comes from erosion. It is the soil that washes from unprotected land. Improved tillage practices, terraces, trees, crop rotations, and grass on bare land and roadsides help keep soil at home. Pollution is reduced, and all water users benefit.

The Soil Conservation Service also helps towns, industries, and others to locate sites and install sewage lagoons, sanitary landfills, living screens of trees, and other measures to help eliminate ugliness and pollution.

WATERSHED PROJECTS CREATE MORE DESIRABLE COMMUNITIES

The Minnesota State Soil and Water Conservation Commission has received 66 applications for assistance under the Watershed Protection and Flood Prevention Act. Of these 24 have received planning authorization, 14 are approved for operations and four have been completed.

The estimated project installation cost for the 14 watersheds approved for operations includes \$4 million Federal construction costs, \$1.9 million local construction costs, a half million dollars technical assistance for land treatment, and \$3.8 million local costs.

In those watersheds completed, landowners have indicated they are providing the protection from flooding and erosion that was projected at the time the watershed work plan was approved. When there are floods crops are destroyed, and fences, bridges, and highways swept away. Homes, schools, and factories are damaged. Communities in watershed projects are protected from flood damage because their surplus water is held back, then released at a controlled rate, by watershed structures.

To the basic watershed protection pattern of small watershed projects, features can be added for municipal water, recreation, wildlife, agricultural water, beautification, and other benefits that enhance the quality of living. Land which was once flooded is returned to food, forest, and wildlife production or developed for recreation use.

Land in a protected watershed rises in value, and so does the tax base. Conservation treatment of all land including the watershed lakes and stream channels cuts down soil erosion and results in less sediment and pollution from silt. Watershed ponds and lakes add new, clear water areas for farm and home and industrial uses, recreation, and fish and wildlife production.

RESOURCE CONSERVATION AND DEVELOPMENT

Residents of two areas in Minnesota are working together in resource conservation and development projects. Guidance and financial aid is furnished by the Soil Conservation Service and other agencies under authority of the Food and Agriculture Act of 1962.

Resource conservation and development goals are the conservation and balanced development of the natural resources of the area to create a better, safer place to live, more employment and increased income, and other benefits. All segments of the community—rural, urban and suburban—work together to improve the quality of the environment. Conservation projects increase opportunities for wholesome outdoor recreation.

The west central Minnesota resource conservation and development project includes Swift, Pope, Wadena, Kandiyohi, Otter Tail, Grant, Douglas, Stevens, and the Todd Soil and Water Conservation Districts. The Onanogozie project in east central Minnesota includes the Aitkins, Carlton, Kanabec, and Pine Soil Water Conservation Districts.

These two projects initially included 257 project measures. Fifty-five of these project measures have been completed and are in operation. This supplies 144 man-years of installation labor and 256 man-years of annual employment.

The gross annual income of measures already established is estimated at \$1.6 million. The active project measures in the two resource conservation and development projects now in operation in Minnesota will provide an estimated 2,430 man-years of installation employment, 1,677 man-years of employment annually, with an increase of annual gross income of \$36 million.

STATE AND LOCAL SUPPORT

In order to have a greater role in improving the quality of the environment, Minnesota Soil and Water Conservation Districts worked with the State legislature to update their enabling act and provide ways and means for districts to work with more people. This resulted in enabling legislation where the county boards of commissioners and soil and water conservation district boards can now enter into agreements for the sponsorship, application and maintenance of projects. It also provides for district boards to present a budget and receive up to \$15,000 annually from the county commissioners to carry out their program.

The Minnesota Legislature also passed enabling legislation to provide county governing bodies with the power to develop zoning ordinances for flood plains and shorelines. It has become evident that guidelines for developing this type of ordinances need to be tied to soil survey and proper land use. They have called on Soil Conservation Service personnel for help.

RESEARCH

I must also add a comment about the research program of the North Central Soil Conservation Research Center at Morris, Minn.

This research program is continuing to meet a need for soil and water conservation research in an area encom-

passing parts of Minnesota, Iowa, North Dakota, and South Dakota. This is an area where major concern is now focused on agriculture's role in the maintenance of clean water. It is an area where fresh, cool, clear lakes are an important economic resource.

I have legislation pending now which would provide a massive national effort toward the restoration and preservation of our fresh water community lakes. My previous clean lakes legislation, now part of the Water Quality Improvement Act, focuses on the kind of research which is possible through such centers.

All of the research at the North Central Soil Conservation Research Center relates either directly or indirectly to environmental quality. The total effort is directed toward soil and water conservation.

The program includes water quality studies which will evaluate management practices in terms of their influence on nutrient levels of both surface and ground waters and will develop practices which will insure maximum efficiency in water use consistent with minimization of nutrient enrichment.

Irrigation research will develop principles of water application and fertilization that will minimize the contribution that fertilizer materials make to surface and ground water. Fragipan soils present problems with excessive surface water runoff and the danger of surface water enrichment from animal wastes and fertilizer.

IN SUMMARY

The control of pollutants from agriculture is inseparably related to soil and water conservation. The only receptacles for the growing quantities of unwanted materials which foul the environment are soil, water, and air.

The Soil Conservation Service is increasingly emphasizing sediment control, measures that contribute to pollution abatement, and the prevention of offsite damages that affect streams and urban areas. Wind erosion control, terracing, contour plowing, streambank protection, reservoirs, ponds and control of critically erodible areas are examples of conservation work which have a significant effect in reducing pollutants.

The Soil Conservation Service is now

in a position to contribute many kinds of basic technical information about natural resources and improving the quality of the environment. It provides technical help to landowners and communities in solving resource problems. It provides assistance in achieving more positive aims such as new recreation, new job opportunities, more pleasant scenery, and more wildlife to enjoy.

So I suggest to my colleagues this. If we are really serious about improving the quality of the environment, and if we are really serious about attacking pollution in this country, then we should strengthen substantially the Federal appropriations for the Soil Conservation Service.

The bill before us provides much of this effort.

Mr. President, to further explain the extent of SCS activities in Minnesota, I ask unanimous consent that a breakdown of the program by counties and program payments, be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SOIL CONSERVATION SERVICE PROGRAM PAYMENTS TO MINNESOTA COUNTIES, FISCAL YEAR 1969

County	Conservation technical assistance	Soil surveys	River basin surveys and investigations	Watershed planning	Watershed works of improvement	Watershed protection	Resource conservation and development	Emergency conservation measures	Soil Conservation Service programs, fiscal year 1969 total
Aitkin	\$17,922						\$1,489		\$19,411
Anoka	8,794				\$437,667				446,461
Becker	24,100		\$61						24,161
Beltrami	19,713		90						19,803
Benton	19,623								19,623
Big Stone	21,655		73				4		21,742
Blue Earth	19,809			\$134	123				20,066
Brown	17,530			208					17,738
Carlton	16,412	\$20,120	93				3,207		39,832
Carver	19,468								19,468
Cass	10,687								10,687
Chippewa	18,045								18,045
Chisago	12,760	49							12,809
Clay	21,492								21,492
Clearwater	9,997		46						10,043
Cook									
Cottonwood	20,101			305					20,406
Crow Wing	12,374						46		12,420
Dakota	18,729								18,729
Dodge	10,049								10,049
Douglas	21,660	23,884	45				4		45,593
Faribault	14,668								14,668
Fillmore	33,469				547				34,016
Freeborn	41,292	14,883						\$1,713	57,888
Goodhue	30,843								30,843
Grant	15,579		17				11		15,607
Hennepin	22,589	33,037							55,626
Houston	29,544		13	1,366	352,082				383,005
Hubbard									
Isanti	12,255								12,255
Itasca	27,771	8,017	114				1,164		37,066
Jackson	21,159								21,159
Kanabec	18,508	75					3,270		21,853
Kandiyohi	22,531						16,103		38,634
Kittson	28,661		169		45,775				74,605
Koochiching	631								631
Lac Qui Parle	17,431								17,431
Lake									
Lake of the Woods	9,730								9,730
Le Sueur	20,851				12				20,863
Lincoln	21,553				709				22,262
Lyon	80,429	13,610		841	13,572				108,452
McLeod	17,557								17,557
Mahnomen	10,675		19						10,694
Marshall	31,303		142		5,885				37,330
Martin	18,301								18,301
Meeker	16,544								16,544
Mille Lacs	11,472								11,472
Morrison	23,882	33							23,915
Mower	22,084								22,084
Murray	14,690								14,690
Nicollet	91,281	30,418		940	11,519				134,158
Nobles	23,892	14,458			78,643				116,993
Norman	30,226	10	42						30,278
Olmsted	95,048	19,087		10,361	7,658				132,154
Otter Tail	98,221	12,797	97				43,485		154,570
Pennington	74,048	34,402	189	503	20,912				130,054
Pine	18,044						34,002		52,046
Pipestone	15,962	17							15,979
Polk	41,100		169	240					41,509
Pope	17,055						7,521		24,576
Ramsey	301,581	72,810	28,831	106,780	50,039		48,715		608,756
Red Lake	9,182		31						9,213

SOIL CONSERVATION SERVICE PROGRAM PAYMENTS TO MINNESOTA COUNTIES, FISCAL YEAR 1969—Continued

County	Conservation technical assistance	Soil surveys	River basin surveys and investigations	Watershed planning	Watershed works of improvement	Watershed protection	Resource conservation and development	Emergency conservation measures	Soil Conservation Service programs, fiscal year 1969 total
Redwood	14,864								14,864
Renville	18,794								18,794
Rice	21,623								21,623
Rock	22,082		\$104		\$7				22,193
Roseau	73,284	\$11,612	131				\$7,136		92,163
St. Louis	18,248								18,248
Scott	2,414	17							2,431
Sherburne	21,518								21,518
Sibley	93,012	31,042			227		1,107		125,388
Stearns	30,314	13,240			1,800			\$970	46,324
Steele	20,295						6		20,301
Stevens	20,075	235					60,512		80,822
Swift	20,590								20,590
Todd	18,460	6	48						18,514
Traverse	23,510				232				23,742
Wabasha	12,669						22,963		35,632
Wadena	27,577				39,852			6,374	73,803
Waseca	20,763	547							21,310
Washington	19,698			\$297					19,995
Watsonwan	15,715		92						15,807
Wilkin	24,193				194				24,387
Winona	22,404								22,404
Wright	18,624			2,124			144		20,892
Yellow Medicine									
State total	2,373,288	354,406	30,586	124,099	1,067,455		250,889	9,057	4,209,780

Source: Federal outlays in Minnesota, fiscal year 1969, compiled for the Executive Office of the President by the Office of Economic Opportunity, 1969.

LIMIT PAYMENTS TO WEALTHY FARM CORPORATIONS

Mr. McINTYRE. Mr. President, I will vote for the agricultural appropriations bill because the need for funding the many, varied and important functions of the Agriculture Department is clear and continuing.

I supported the amendment to limit payments under the price support program because I believe such limitations are important.

I am a cosponsor of the amendment, S. 3068, introduced by the distinguished Senator from Indiana (Mr. BAYH) which would provide such limitations at \$10,000 per individual producer of cotton, wheat, and feed grains.

I have been told by agricultural economists in this area that the \$20,000 limitation we have adopted will save as much as \$150 million a year, and we all know there are plenty of places where that \$150 million could be put to better use than fattening the pocketbooks of the country's biggest and wealthiest farmers and farm corporations. The need is to assist the small producer, not the big producers.

I recognize that the basic purpose of farm subsidies is to compensate producers for limiting production. Unlimited production, most of us appreciate, would produce a glut which would, in turn, destroy the entire farm economy.

But I have said on many occasions that I do not believe the bulk of farm subsidies should wind up in the bank accounts of just the major producers. And this is becoming more and more the pattern.

In the single year from 1968 to 1969 the number of producers getting farm payments of 25,000 or more for all crops increased by 30 percent. And the increase since 1966 has been at least 60 percent.

Unless we impose limitations this trend can only accelerate. The big producers collect most of the farm payments. Compensated so generously, they are then able to buy out smaller producers and collect even larger subsidies on even larger acreage.

This is an unfair, economically wasteful and discriminating cycle that can

only be broken by imposing equitable payment limitations.

I am convinced, Mr. President, that we can achieve the same production restraint under payment limitations as we do without limitations. If this is true, and I am certain it is, then there is absolutely no justification for continuing to give more to the "haves," than to the "have-nots."

LIMITATION OF AGRICULTURAL PAYMENTS

Mr. BAYH. Mr. President, as we consider today the agricultural appropriations bill, the enormous amounts proposed to fund the farm subsidy program highlight once again the need for a limitation on the payments which can be made to any one farmer.

On May 5 of this year I introduced an amendment to the coalition farm bill, S. 3068, which would establish a \$10,000 per program limitation. The Senator from New York (Mr. GOODELL) and eight other Senators joined me in this effort.

As I noted at that time, this amendment was motivated by the desire to re-order our national priorities—to trim the "fat" from the President's budget in order to free funds for vitally needed human resource programs. I believed then and I believe now, that a portion of the farm subsidy program could be trimmed without jeopardizing the true goals of a rational farm policy.

On June 4, 1969, in testimony before the Senate Appropriations Committee, Secretary Hardin estimated that 65 percent of the cotton payments, 40 percent of the wheat payments, and 11 percent of the feed grains payments represented income supplements rather than payments for actual acreage diversion. These estimates indicate that a large portion of the funds expended under this program do not contribute to the reduction of crop surpluses. Instead, these funds are utilized to supplement the incomes of farm producers.

Mr. President, I would not strongly object to supplementing the incomes of

small- and medium-sized farms if in fact there is a need to do so and if supplementary payments rather than surplus reduction was the expressed aim of the program. In reality, however, a large portion of these income supplement payments are not made to small- or medium-sized producers but to large farm corporations, banks, and even State prisons and governments. This should not be allowed to continue.

Mr. President, the enactment of our amendment as part of the basic authorizing legislation would do much to end what the Senator from New York (Mr. GOODELL) has termed a "national scandal." I am pleased that the Senate agreed to amend the agricultural appropriations bill so that no single producer could receive more than \$20,000 in subsidy benefits. While this should prove helpful during this fiscal year, it is still my intention, at the appropriate time, to press vigorously for the incorporation of this amendment in the permanent enabling legislation.

The PRESIDING OFFICER. The bill is open to further amendment.

AMENDMENT NO. 759

Mr. GOODELL. Mr. President, I call up my amendment No. 759.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT LEGISLATIVE CLERK. The Senator from New York (Mr. GOODELL) proposes amendments (No. 759) as follows:

On page 32, line 11, strike out "\$83,000,000" and insert the following: "\$355,000,000".

On page 33, line 2, strike out "\$60,000,000" and insert the following: "\$100,000,000".

The PRESIDING OFFICER. Does the Senator ask that his amendments be considered en bloc?

Mr. GOODELL. Yes.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc. The Senate will be in order.

Mr. GOODELL. Mr. President, this amendment would provide \$100 million in development and planning grants and

\$350 million in direct loans for the Farmers Home Administration rural water and sewer facilities program.

In effect, this amendment is a companion to the amendment that I offered yesterday, which was passed by the Senate. That amendment to the fiscal 1971 HUD appropriations bill provided an additional \$300 million for the Department's water and sewer program, which generally services communities with populations of 5,500 or more.

The amendment we are considering now would provide vitally needed funds for the same program in FHA which assists smaller communities—those with a 5,500 population or less.

Yesterday, we discussed the critical need for water and sewer systems in cities and towns. The same urgent need exists in our Nation's rural areas.

These communities want to move ahead with their environmental protection programs. They want to install the systems to insure that clean drinking water will be available to the community. They want to clean up the rivers, lakes, and streams so that they can be used for recreational purposes. They want to install adequate antipollution systems to protect themselves and other communities from contamination.

In addition, such systems are an integral part of the economic development of these rural communities. They want to attract industry and commercial development; to keep the young from migrating to the city; to insure a future of economic and social growth for themselves.

These communities however, cannot initiate or sustain growth if they cannot provide basic community facilities such as water and sewer systems. Industries must be assured that the communities have the capacity to meet a growing demand for increased services. Homeowners must have the same assurance if the community is to appear as an attractive place to live.

Without adequate water and sewer facilities rural areas cannot provide this assurance. They cannot attract growth and development so vital to a prospering community.

Yesterday, I mentioned a small village in New York State that has been experiencing a difficult time in an effort to obtain funds for rural water and sewer facilities.

I believe this village is similar to many others in this country. It has a population of approximately 2,300. In an effort to expand, the village has made efforts to attract industry to the area. It has designated industrial sites for this purpose and industry has responded to those overtures to locate within the community.

Now, however, that potential growth the community worked so hard for is fast slipping away. They have applied since 1966 for water and sewer facilities funds which they have never received. For 4 years, their applications have been delayed or rejected because of funding limitations. As a result, the community cannot proceed with its plans to construct adequate water and sewer facilities. Consequently, the industry in the

area is threatening to leave, taking with it the community's hopes of prosperity.

This situation is repeated countless times by other communities in this country.

In December of 1969, the Farmers Home Administration conducted a survey to show the need for water and sewer systems in rural areas of our Nation.

The survey reveals that a total of over \$11 billion will be required to improve and/or provide adequate water and sewer systems in our rural areas. These costs threaten to increase because they are estimated on the basis of the 1969 dollar. Experience in New York State over the past 4 years indicates that the costs for construction of sewer systems alone has risen at the rate of 12 percent a year, and that this cost rise is continuing.

In June, I wrote to my colleagues in this body and in the House advising them of the results of the survey. At this point I ask unanimous consent to have that letter printed in the RECORD, along with the summary of the national need for rural water and sewer systems.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TOTALS FOR NATIONAL REQUIREMENTS—RURAL WATER AND SEWER SYSTEMS (COMMUNITIES OF 5,500 POPULATION OR LESS)

	Communities	Households	* Commercial establishments
I. WATER SYSTEMS			
A. With Water Systems.....	\$14,267	\$5,636,764	\$420,641
With adequate systems.....		387,418	15,630
Without adequate systems.....		5,249,346	405,011
Cost of improvement.....			1,716,439,000
B. Without water systems.....	17,476	2,181,268	
Number of systems needed.....	13,517		
No water.....	5,801		
Water bad.....	4,527		
Costs excessive.....	2,139		
Need central treatment.....	1,050		
Cost of systems.....			2,445,074,000
II. SEWER SYSTEMS			
A. With sewer systems.....	6,823	3,738,463	314,140
With adequate systems.....		299,467	15,858
Without adequate systems.....		3,438,996	298,282
Cost of improvement.....			1,476,545,000
B. Without sewer systems.....	23,356	3,731,327	
Number of systems needed.....	16,985		
Below health regulations.....	13,209		
Need central treatment.....	3,776		
Cost of systems.....			5,645,222,000
Total costs to improve and/or provide adequate water and sewer systems.....			11,283,280,000

SUMMARY OF TOTAL NEEDS REQUIRED TO PROVIDE ADEQUATE WATER AND SEWER SYSTEMS IN COMMUNITIES WITH 5,500 POPULATION OR LESS

Households.—Over 7 million households are served by inadequate or no systems. Only a few more than 300,000 are served by adequate systems.

Commercial establishments.—Fewer than 16,000 are served with adequate systems. About 400,000 are served with inadequate systems.

Costs (to provide adequate systems):

Water systems \$4,161,513,000
Sewer systems 7,121,767,000

Total need 11,283,280,000

Ability of communities to pay for systems.—Less than 1% of households have annual incomes of more than \$10,000; 42% of households have annual incomes of less than \$5,000; 69% of households have annual incomes of less than \$7,000.

U.S. SENATE,

Washington, D.C., June 29, 1970.

DEAR COLLEAGUE: I am writing to tell you of a survey that dramatically shows the need for water and sewer systems in rural areas of our nation. In December 1969 the Farmers Home Administration conducted a survey of all communities with populations of 5500 or less, and the results of this survey have now been tabulated by State and Congressional District.

The survey reveals that a total of \$11,283,280,000 will be required to improve and/or provide adequate water and sewer systems in our rural areas. These costs are estimated on the basis of the 1969 dollar; however, experience in New York State over the past four years indicates that the costs for construction of sewer systems alone has risen at the rate of 12 percent a year, and that this cost rise is continuing. Attached is a summary of the total national need.

Attached for your information is a copy of the printout of this survey for your State, which shows the total need by Congressional District. For specific information with regard to the names of the villages I would suggest that you contact your local State Director of the Farmers Home Administration.

My thought is that it would be useful to you to have this information when Congress considers authorizations and appropriations for this program.

Sincerely,

CHARLES E. GOODELL.

<i>Water systems</i>	
Total number of communities	31, 743
With systems	14, 267
Without systems	17, 476
Households within the communities	7, 818, 032
With adequate systems	387, 418
With inadequate systems	4, 291, 946
Cost to extend and/or improve 11,028 existing systems	\$1, 716, 439, 000
Without systems	3, 138, 668
Cost to provide 13,517 systems (to serve one or more communities)	\$2, 445, 074, 000
Total cost	\$4, 161, 513, 000

<i>Income categories of above households:</i>	
\$3,000 or less	1, 594, 697
\$3,001 to \$5,000	1, 809, 393
\$5,001 to \$7,000	2, 105, 063
\$7,001 to \$10,000	1, 368, 664
\$10,001 and over	656, 905
Unknown	283, 310
Total	7, 818, 032

<i>Commercial establishments in communities with water systems:</i> ¹	
Number served with adequate systems	15, 630
Number served with inadequate systems	368, 626
Number not served	36, 385
Total	420, 641

¹ There are no figures on commercial establishments in communities that have no water systems.

<i>Sewer systems</i>	
With systems	6, 823
Without systems	23, 356
Total number of communities	30, 179
Households within the above communities	7, 469, 790
With adequate systems	299, 467
With inadequate systems	2, 616, 943
Cost to extend and/or improve 4,950 existing systems	\$1, 476, 545, 000
Without systems	4, 553, 380
Cost to provide 16,986 systems (to serve 1 or more communities)	\$5, 645, 222, 000
Total cost	\$7, 121, 767, 000

<i>Income categories of above households:</i>	
\$3,000 or less	1, 448, 366
\$3,001 to \$5,000	1, 627, 445
\$5,001 to \$7,000	1, 948, 230
\$7,001 to \$10,000	1, 282, 262
\$10,001 and over	619, 474
Unknown	544, 013
Total	7, 469, 790

<i>Commercial establishment with¹ sewer systems:</i>	
Number served with adequate systems	15, 858
Number served with inadequate systems	262, 001
Number not served	36, 281
Total	314, 140

¹ There are no figures on commercial establishments in communities that have no sewer systems.

Total needs by State to improve or provide adequate water and sewer systems in communities of 5,500 population or less

Alabama	\$148, 333, 000
Alaska	94, 750, 000
Arizona	41, 705, 000
Arkansas	203, 619, 000
California	259, 459, 000
Colorado	113, 851, 000
Connecticut	153, 464, 000
Delaware	61, 630, 000
Florida	331, 787, 000
Georgia	326, 410, 000
Hawaii	44, 280, 000
Idaho	52, 097, 000
Illinois	270, 825, 000
Indiana	446, 953, 000
Iowa	184, 707, 000
Kansas	78, 028, 000
Kentucky	506, 086, 000
Louisiana	293, 788, 000
Maine	111, 501, 000
Maryland	281, 128, 000
Massachusetts	225, 213, 000
Michigan	412, 148, 000
Minnesota	108, 044, 000
Mississippi	675, 468, 000
Missouri	290, 011, 000
Montana	25, 385, 000
Nebraska	48, 112, 000
Nevada	9, 384, 000
New Hampshire	95, 636, 000
New Jersey	335, 060, 000
New Mexico	31, 318, 000
New York	606, 741, 000
North Carolina	285, 870, 000
North Dakota	32, 968, 000
Ohio	354, 667, 000
Oklahoma	70, 468, 000
Oregon	135, 998, 000
Pennsylvania	526, 374, 000
Rhode Island	22, 800, 000
South Carolina	212, 799, 000
South Dakota	28, 815, 000
Tennessee	244, 113, 000
Texas	857, 277, 000
Utah	62, 860, 000
Vermont	60, 453, 000
Virginia	289, 101, 000
Washington	222, 614, 000
West Virginia	460, 372, 000
Wisconsin	232, 446, 000
Wyoming	10, 898, 000
Puerto Rico	301, 177, 000
Virgin Islands	4, 289, 000

National total

11, 283, 280, 000

IN ORDER OF NEED BY STATE

1. Texas	857, 277, 000
2. Mississippi	675, 468, 000
3. New York	606, 741, 000
4. Pennsylvania	526, 374, 000
5. Kentucky	506, 086, 000
6. West Virginia	460, 372, 000
7. Indiana	446, 953, 000
8. Michigan	412, 148, 000
9. Ohio	354, 667, 000
10. New Jersey	335, 060, 000
11. Florida	331, 787, 000
12. Georgia	326, 410, 000
13. Puerto Rico	301, 177, 000
14. Louisiana	293, 788, 000
15. Missouri	290, 011, 000
16. Virginia	289, 101, 000
17. North Carolina	285, 870, 000
18. Maryland	281, 128, 000
19. Illinois	270, 825, 000
20. California	259, 459, 000
21. Tennessee	244, 113, 000
22. Wisconsin	232, 446, 000
23. Massachusetts	225, 213, 000
24. Washington	222, 614, 000
25. South Carolina	212, 799, 000
26. Arkansas	203, 619, 000
27. Iowa	184, 707, 000
28. Connecticut	153, 464, 000
29. Alabama	148, 333, 000
30. Oregon	135, 998, 000

31. Colorado	\$113, 851, 000
32. Maine	111, 501, 000
33. Minnesota	108, 044, 000
34. Alaska	94, 750, 000
35. New Hampshire	95, 636, 000
36. Kansas	78, 028, 000
37. Oklahoma	70, 468, 000
38. Utah	62, 860, 000
39. Delaware	61, 630, 000
40. Vermont	60, 453, 000
41. Idaho	52, 097, 000
42. Nebraska	48, 112, 000
43. Hawaii	44, 280, 000
44. Arizona	41, 705, 000
45. North Dakota	32, 968, 000
46. New Mexico	31, 318, 000
47. South Dakota	28, 815, 000
48. Montana	25, 385, 000
49. Rhode Island	22, 800, 000
50. Wyoming	10, 898, 000
51. Nevada	9, 384, 000
52. Virgin Islands	4, 289, 000

National need

11, 283, 280, 000

Mr. GOODELL. In my home State of New York, 692 rural communities need water systems and 1,048 need sewer systems. These are communities without any systems at all. Inadequate water systems serve 225,000 households and 14,000 commercial establishments. Inadequate sewer systems are all that 122,000 households and 6,500 commercial establishments can depend upon.

In relation to the needs of other States, Texas ranks first, followed by Mississippi and New York. The FHA survey reveals that the State of Texas requires roughly \$857 million, Mississippi, \$675.5 million and New York \$607 million to meet rural water and sewer needs.

The FHA has faced extremely severe financing problems under its rural water and sewer program. In the last fiscal year Congress appropriated \$46 million for development and planning grants and \$74 million for direct loans. Even at this low level of funding the Bureau of the Budget froze \$18 million of the development grants, \$10 million in direct loans, \$30 million in insured loan authority. In a March 16 letter, I appealed to the President to release the additional grant funds and on April 23, Secretary of Agriculture Clifford Hardin announced the use of the full \$46 million in fiscal 1970. Many of my colleagues joined me in this effort and we were able to assist approximately 250 rural communities move another step closer to the construction of adequate water and sewer facilities. A similar appeal was made on May 20 for the release of \$40 million—\$10 million in direct water and sewer loans—\$30 million in insured loan authority. Unfortunately, the administration denied this request.

At this point, I ask that my first and second letter to the President and the Bureau of the Budget response be included in the RECORD. I also ask that a letter, sent to my colleagues, urging them to support my attempt to release funds be included along with a State-by-State breakdown of backlogged FHA applications for rural water and sewer construction.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,

Washington, D.C., March 16, 1970.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am taking the liberty of bringing to your personal attention a matter of great concern to many small villages in rural areas of our Nation.

In your State of the Union Message you stated that sewage treatment plants would be built "In every place in America where they are needed." In this regard I am writing to appeal to you to release the additional \$18 million appropriated by Congress for the current fiscal year for rural water and waste disposal by small communities. These funds, along with the \$24 million which you have already released to the Farmers Home Administration (FHA) will enable the FHA to assist small rural communities in developing these water or sewer systems.

Many village sewer systems are being constructed with the aid of other Federal programs, administered by the Appalachian Regional Commission and the Departments of Interior and Agriculture. Unless the additional \$18 million in grant funds is released, these villages may be unable to use the systems they have constructed or have had approved for construction.

Small villages are simply unable to finance the construction of the sewage trunk lines from their homes to the main trunk lines. Without these collection lines, their entire sewage systems will lie unused. A number of small villages have received assurances (some as long as two and three years ago) from the Farmers Home Administration that their collection systems had been approved for funding; however, because of the shortage of Federal funds, actual disbursements to the villages have not been made. Therefore, a community that is prepared to begin construction now cannot do so until these additional funds have been released.

There are approximately 375 communities in New York State that have a population of 5500 or less. Nearly 300 of these communities cannot construct their sewage systems until they receive grant assistance from the Farmers Home Administration.

In addition, a recent House Appropriations Committee report indicates that as of two years ago about 1500 rural counties in the Nation will require Farmers Home Administration grant assistance to finance the preparation of comprehensive water and sewer plans. These plans must be completed prior to October 1, 1971, pursuant to Public Law 89-240, for the area to be eligible for development grant assistance. The communities need an average of eighteen months to complete a plan; therefore, if they are to meet the October 1, 1971 deadline, a substantial number of the plans must be started in the current fiscal year.

I was very pleased with the recent news that you would release the additional \$586 million appropriated by the Congress for construction of sewage treatment plants to the Department of Interior, for a total of \$800 million in Fiscal Year 1970. The \$18 million additional which I am requesting you to release today to the Farmers Home Administration will provide our small rural areas with trunk lines—a vital link without which their systems cannot function.

Respectfully yours,

CHARLES E. GOODELL.

U.S. SENATE,

Washington, D.C., May 20, 1970.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: On March 16 I addressed an appeal to you for the release of additional grant funds appropriated by Congress for Fiscal Year 1970 for development of rural water and waste disposal facilities by small communities with populations of 5500

or less. As a result of this appeal, Secretary of Agriculture Clifford M. Hardin announced on April 23 that funds available for this program had been increased and that the Bureau of the Budget had authorized the use of the full \$42 million for development and \$4 million for planning that had been appropriated by Congress for Fiscal Year 1970.

I was very gratified by this action. By enabling the Farmers Home Administration to approve prior to June 30 an additional 250 rural community water and sewer system projects, we have moved another important step forward in reversing the dangerous deterioration of our environment.

However helpful the release of these grant funds has been, the effectiveness of the program cannot be fully realized until the Bureau of the Budget releases \$40 million authorized for sewer and water loans. These loans are an essential component of the ability of the communities to fulfill their own financial obligations and to move ahead rapidly with their anti-pollution programs. With very few exceptions, they cannot do so without loans directly from or insured by the Federal Government.

On April 15, 1969, in House Document 91-100, you recommended the following with respect to the rural water and waste disposal program of the Farmers Home Administration for Fiscal Year 1970:

1. *Grants for planning and development:* Reduce to \$28 million.

(Congress appropriated \$42 million for development and \$4 million for planning, and these funds have been made available.)

2. *Loans (direct and insured) for sewer and water:*

Direct Loans: Decrease the amount available for loans to public bodies from \$74 million to \$64 million.

(Congress appropriated \$74 million; however, \$10 million is presently held in budgetary reserve.)

Insured Loans: The above proposal to decrease direct loans contemplated "enactment of pending legislation which would increase insured sewer and water loans to public bodies from \$110,000,000 to \$355,000,000 for fiscal year 1970."

(The legislation was not enacted. Also, it was implicit in your April 15, 1969 communication that there would continue to be authority to insure at least \$110 million in loans. However, the budget which you submitted early this year reflects that loan insurance authority has been reduced by \$30 million.)

Your budget for Fiscal Year 1970 indicated that a proper ratio between grants and loans should be approximately 1 to 6; i.e., \$24 million for development grants vs \$144 million in loans (\$64 million direct and \$80 million insured.)

However, the increased allocation of \$18 million for development grants had changed the grant/loan ratio for Fiscal Year 1970 to approximately 1 to 3.43; i.e., \$42 million for development grants vs \$144 million for loans.

To provide an additional \$40 million in loans would bring the ratio to only 1 to 4.38; i.e., \$42 million for development grants vs \$184 million for loans (\$74 million direct and \$110 million insured.)

Indeed, the ratio you have proposed for Fiscal Year 1971 is 1 to 5.3; i.e., \$20 million for development grants vs \$126 million for loans (\$40 million direct and \$86 million insured.)

Mr. President, I strongly urge that the \$10 million appropriated for direct loans be released from budgetary reserve, and that the Farmers Home Administration authority to insure sewer and water loans be restored to \$110 million. Such action will permit 250 small communities throughout the Nation to proceed with fully financed programs before the end of Fiscal Year 1970.

The need for a favorable decision is most urgent. The Farmers Home Administration

has on hand at this time more than 2,000 loan requests requiring approximately \$480 million, and nearly 600 grant requests requiring \$50 million. In addition the Agency has returned more than 3,500 requests and 2,400 grant requests because of insufficient funds. The communities are still in need of assistance; the applications returned would require approximately \$700 million in loan funds and \$300 million in grant funds.

I am assured that the Farmers Home Administration could easily administer a \$400 million program annually to assist approximately 2,000 water and waste disposal projects. At this level of funding, approximately four years would be required to fund the applications now on hand and those that have been returned because of insufficient funds.

Respectfully yours,

CHARLES E. GOODELL.

EXECUTIVE OFFICE

OF THE PRESIDENT,

BUREAU OF THE BUDGET,

Washington, D.C., June 16, 1970.

Hon. CHARLES E. GOODELL,
Washington, D.C.

DEAR SENATOR GOODELL: This is in response to your letter of May 20, 1970, to the President concerning the sewer and water program of the Farmers Home Administration.

As you are aware, I am sure, President Nixon's budgets for fiscal years 1970 and 1971 were prepared in an economic atmosphere which demanded an antiflationary fiscal policy. Consequently, it was necessary to reduce this loan program from the levels proposed over a year ago in the FY 1970 column of the 1970 budget to the levels shown in the FY 1970 column of the 1971 budget.

Stringency for FY 1970 was also caused by the total budget outlay limitation established by the Revenue and Expenditure Control Act of 1970. You will recall that the amount specified in the overall limitation on outlays was less than the sum of outlays which stem from individually enacted appropriations and other legislation for FY 1970. Therefore, the President had no alternative but to direct that sufficient reductions be made in 1970 controllable programs to bring our then-current estimate of total spending within the outlay limitation. The reduction in the 1970 sewer and water loan program from the level authorized by the Congress was effected as part of this effort.

The proposed revised limitation on fiscal year 1970 outlays currently pending in the Congress, if enacted will still require that the President exercise stringent budgetary controls for the remainder of the current fiscal year. A similar budget outlay limitation for FY 1971 is also being considered by the Congress which, if enacted, would cause equally difficult administrative problems and require firm control of funds being obligated in 1970 as well as 1971.

We were advised by staff of the Department of Agriculture at the time of release of the additional \$18 million of sewer and water grant funds that the added grant funds could be effectively utilized with the present sewer and water loan levels for FY 1970. Consequently, for the reasons cited above, we do not believe that it is possible at this time to release additional loan funds for this purpose during FY 1970.

The administration is quite hopeful of receiving favorable consideration of legislation currently pending before the Congress which would enable FHA to make insured loans to tax exempt public bodies and subsequently sell such loans to private investors as taxable securities. Enactment of this legislation could permit a significant increase in the sewer and water insured loan level for FY 1971 because of the reduced budget impact of such loans as compared with direct loans to public bodies for this purpose.

Thank you for your views on this matter.

I regret that I am unable to give a more favorable response at this time.

Sincerely,

ROBERT P. MAYO,
Director.

U.S. SENATE,
Washington, D.C., May 20, 1970.

DEAR COLLEAGUE: Many of you recently joined me in an appeal to the President that he release additional grant funds for water and waste disposal systems in small villages

with populations of 5500 or less.

Your support of this appeal was most gratifying. On April 23 the Secretary of Agriculture announced that the Bureau of the Budget had authorized the use of the full \$42 million for development and \$4 million for planning that had been appropriated by Congress for Fiscal Year 1970. 250 additional communities in the nation will be assisted because of this action.

However, release of these grant funds was not accompanied by a provision for addi-

tional loan funds for these communities. Direct or insured loans are an essential component of their programs.

I have therefore written again to the President to request that authority for \$40 million in direct and insured loans be released from budgetary reserve. A copy of my letter is attached.

I urge you to join me in this new appeal to the President.

Sincerely,

CHARLES E. GOODELL.

APPLICATIONS RETURNED BECAUSE OF INSUFFICIENT FUNDS (THROUGH DEC. 31, 1969)

State	Loans						Grants					
	Water		Sewer		Total		Water		Sewer		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Alabama	67	\$13,369,500	9	\$1,964,000	76	\$15,333,500	46	\$3,503,840	8	\$776,100	54	\$4,297,940
Arizona	121	19,446,940	66	9,830,850	187	29,277,790	79	6,599,940	52	3,978,800	131	10,578,740
Arkansas	24	5,817,200	11	2,692,211	35	8,509,411	9	1,742,200	6	1,136,311	15	2,878,511
California	38	5,937,000	37	4,342,000	75	10,279,000	18	747,000	26	1,395,000	44	2,142,000
Colorado	8	1,500,000	5	1,250,000	13	2,750,000	9	1,060,000	6	1,100,000	15	2,160,000
Florida	56	9,750,000	20	4,424,200	76	14,174,200	48	2,395,350	19	2,473,000	67	4,868,350
Georgia	7	2,151,350	8	676,290	15	2,827,640	2	210,550	5	370,860	7	581,410
Idaho	95	13,132,000	100	18,502,000	195	31,634,000	57	5,134,000	79	10,059,000	136	15,193,000
Illinois	44	7,815,247	89	18,107,938	133	25,923,185	10	1,083,000	43	4,023,000	53	5,106,000
Indiana	93	11,270,775	128	18,759,036	221	30,029,811	74	4,039,700	121	8,294,389	195	12,334,089
Iowa	126	24,987,745	129	5,039,110	155	30,026,855	52	5,241,570	27	2,088,590	79	7,330,160
Kansas	86	24,410,300	11	2,834,500	97	27,244,800	15	2,388,000	9	1,545,600	24	3,933,600
Kentucky	84	13,323,182	17	3,402,182	101	16,725,364	10	1,372,560	21	2,637,300	31	4,009,800
Louisiana	34	8,775,000	103	35,771,300	137	44,546,300	28	5,066,000	96	17,213,000	124	22,279,000
Michigan	16	825,000	38	5,695,000	54	6,520,000	12	650,000	30	3,457,060	42	4,107,000
Minnesota	299	59,282,230	26	5,590,500	325	64,872,730	93	9,709,564	21	2,677,384	114	12,386,948
Mississippi	152	32,465,990	85	13,415,356	237	45,881,346	81	7,259,375	64	5,449,465	145	12,708,840
Missouri	1	150,000	8	1,138,041	9	1,288,041	2	230,000	5	402,211	7	632,211
Montana	5	506,000	11	442,305	16	948,305	4	134,130	11	259,330	15	393,460
Nebraska	8	756,500	11	2,171,750	19	2,928,250	10	1,021,500	21	3,782,470	31	4,803,970
New England	12	2,168,500	18	7,347,000	30	9,515,500	9	824,448	21	9,649,000	30	10,473,448
New Jersey	96	14,632,515	102	35,612,656	198	50,245,171	96	11,980,295	103	26,370,832	199	38,351,127
New Mexico	28	6,772,435	15	1,984,470	43	8,756,905	17	1,789,255	15	1,331,830	32	3,121,085
New York	13	2,135,000	25	3,978,440	38	6,113,440	7	398,000	24	1,504,820	31	1,902,820
North Carolina	25	4,215,710	31	6,171,702	56	10,387,412	14	2,203,360	20	3,814,302	34	6,017,662
North Dakota	12	1,773,275	5	603,650	17	2,376,925	4	348,000	3	328,850	7	676,850
Ohio	20	4,336,500	12	1,942,500	32	6,279,000	9	820,250	7	592,250	16	1,412,500
Oklahoma	92	20,758,675	143	35,253,055	235	56,011,730	60	8,946,975	125	19,106,540	185	28,053,515
Oregon	6	1,200,000	1	200,000	7	1,400,000	6	480,000	1	80,000	7	560,000
Pennsylvania	16	4,776,231	10	2,915,201	26	7,691,432	8	1,091,904	6	1,002,186	14	2,094,090
Puerto Rico	5	2,891,640	14	1,211,880	19	4,103,520	6	480,000	16	720,080	22	1,200,080
South Carolina	82	17,074,165	15	2,650,683	97	19,724,848	44	4,530,922	16	2,384,731	60	6,915,653
South Dakota	152	25,352,760	63	7,370,210	215	36,728,970	82	7,670,040	63	3,882,480	145	11,552,520
Tennessee	2	400,000	4	800,000	6	1,200,000	2	1,600,000	2	160,000	4	320,000
Texas	53	8,977,030	46	10,914,060	99	19,891,090	50	5,129,500	41	5,649,030	91	10,778,530
Utah	18	2,857,900	17	2,511,700	35	5,369,600	9	600,700	13	937,400	22	1,538,100
Virginia	78	12,012,032	26	6,255,700	104	18,267,732	70	6,940,944	24	3,300,394	94	10,241,338
Washington	39	4,506,000	49	6,999,300	88	11,505,300	35	2,964,600	49	5,050,950	84	8,015,550
West Virginia	2	284,200	2	209,200	4	493,400	2	164,200	1	9,200	3	173,400
Wisconsin												
Wyoming												
Total	2,115	396,802,827	1,411	291,179,976	3,526	687,982,803	1,189	117,111,612	1,220	158,993,685	2,409	276,105,297

WATER AND WASTE DISPOSAL GRANTS IN PROCESS (BACKLOG OF APPLICATIONS ON HAND)

State	Applications on hand	Amount required to fund
Alabama	46	\$3,189,370
Arizona	5	265,000
Arkansas	24	1,920,000
California	14	1,120,000
Hawaii		
Nevada	5	400,000
Colorado	5	400,000
Florida	15	1,226,700
Georgia	14	1,552,000
Idaho	4	280,000
Illinois	14	1,016,000
Indiana	7	830,000
Iowa	13	598,000
Kansas	9	424,680
Kentucky	8	1,211,000
Louisiana	7	670,000
Maine	8	1,344,000
Connecticut	1	168,000
Massachusetts	5	840,000
New Hampshire	5	840,000
Rhode Island		
Vermont	6	1,080,000
Michigan	20	2,740,000
Minnesota	14	898,700
Mississippi	32	970,400
Missouri	9	910,000
Montana	6	404,550
Nebraska	11	524,400
New Jersey	13	2,544,000
Delaware		
Maryland	8	923,000
New Mexico	8	411,000
New York	12	2,015,000
North Carolina	33	970,600

North Dakota	10	\$376,050
Ohio	13	2,192,000
Oklahoma	25	2,563,795
Oregon	14	1,117,270
Alaska	1	425,000
Pennsylvania	11	1,069,000
Puerto Rico	21	956,900
Virgin Islands		
South Carolina	5	480,000
South Dakota	8	270,000
Tennessee	11	880,000
Texas	20	1,253,100
Utah	5	601,500
Virginia	12	1,483,600
Washington	11	813,900
West Virginia	18	1,738,000
Wisconsin	8	565,800
Wyoming	6	237,950
Total	580	49,710,715

¹ State offices serving more than 1 State are authorized to transfer funds between States under their jurisdiction.

DIRECT AND INSURED WATER AND SEWER LOANS—(BACKLOG OF APPLICATIONS ON HAND)

(Dollars in thousands)

State	Applications on hand	Amount required to fund
Alabama	74	\$17,760
Arizona	12	2,880
Arkansas	76	18,240
California	39	9,360
Hawaii		
Nevada	4	960
Colorado	47	11,280

State	Applications on hand	Amount required to fund
Florida	30	\$7,200
Georgia	43	10,320
Idaho	27	6,480
Illinois	56	13,440
Indiana	32	7,680
Iowa	110	26,400
Kansas	32	7,680
Kentucky	60	14,400
Louisiana	50	12,000
Maine	9	2,160
Connecticut	1	240
Massachusetts	2	480
New Hampshire	2	480
Rhode Island		
Vermont	9	2,160
Michigan	34	8,160
Minnesota	37	8,880
Mississippi	123	29,520
Missouri	102	24,480
Montana	14	3,360
Nebraska	23	5,520
New Jersey	16	3,840
Delaware	1	240
Maryland	22	5,280
New Mexico	22	5,280
New York	61	14,640
North Carolina	75	18,000
North Dakota	20	4,800
Ohio	78	18,720
Oklahoma	112	26,880
Oregon	20	4,800
Alaska	5	1,200
Pennsylvania	36	8,640
Puerto Rico	40	7,600
Virgin Islands		
South Carolina	37	9,680

State	Applications on hand	Amount required to fund
South Dakota.....	25	\$6,000
Tennessee.....	50	12,000
Texas.....	139	33,360
Utah.....	28	6,720
Virginia.....	40	9,600
Washington.....	19	4,560
West Virginia.....	35	8,400
Wisconsin.....	65	15,600
Wyoming.....	13	4,120
Total.....	2,007	481,480

¹ State offices serving more than 1 State are authorized to transfer funds between States under their jurisdiction.

Mr. GOODELL. Mr. President, in the fiscal 1971 budget, the administration requested only \$20 million in grants and \$40 million in direct loans for the development of these systems.

The House passed an appropriation of \$100 million for development/planning grants and \$74 million for direct loans to communities for their water and sewer facilities. The Senate committee has recommended \$60 million for the grant program and \$78 million for direct loans.

At present, the FHA has on hand more than 2,000 loan requests requiring approximately \$480 million, and nearly 600 grant requests requiring \$50 million. In addition, the agency has returned more than 3,500 loan requests and 2,400 grant requests to communities because of insufficient funds.

The FHA has informed me that, while it is not making a recommendation for a budget request, it can effectively administer at least \$400 million a year to assist approximately 2,000 water and waste disposal projects.

In view of this desperate need for funds, I have offered the amendment to provide the House-passed level of \$100 million for development grants under the FHA rural water and sewer facilities program and \$350 million for the direct loan program.

On July 1, I wrote to the distinguished chairman of the subcommittee, the Senator from Florida (Mr. HOLLAND), and expressed my intent to introduce this amendment. I ask unanimous consent that the text of the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON BANKING AND CURRENCY,
Washington, D.C., July 1, 1970.
HON. SPESSARD L. HOLLAND,
Chairman, Subcommittee on Department of
Agriculture and Related Agencies,
Committee on Appropriations, U.S.
Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing to you about the severe need for adequate water and sewer facilities in the small villages of our Nation.

A survey conducted last December by the Farmers Home Administration shows that over \$11 billion is required to improve and/or provide adequate water and sewer systems in communities of 5500 population or less. The estimate is based upon 1969 prices; however, experience in New York State over the past four years has shown that costs for construction of sewage treatment plants alone has risen at the rate of one percent a month, or 12 percent a year, and this rise is continuing.

Despite this overwhelming need, however, the Administration has budgeted for fiscal year 1971 only \$24 million for development and planning grants, \$40 million for direct loans, and \$86 million for insured loan authority.

When the House acted upon the Department of Agriculture appropriation bill for fiscal year 1971 (H.R. 17923), \$100 million was approved for development and planning grants for this program.

At the same time, however, the House approved only \$74 million for direct loans to communities for their water and sewer facilities, which is the same amount appropriated by Congress for fiscal year 1970. It is my understanding that Congressional approval is not required for additional insured loan authority at this time.

I would like to bring to your attention information I have recently obtained with regard to the need for a much larger appropriation for direct loans than was approved by the House of Representatives. Enclosed is a letter dated June 24, 1970 from the Farmers Home Administration stating that, in order to maintain the historic ratio of 16 percent between grant and loan funds, approximately \$600 million in total loan authority would be required to match the \$100 million in grants approved by the House.

However, both direct and insured loans are included in this FHA estimate. It should be noted that since fiscal year 1968 the FHA has been restricted in insuring loans to public bodies. This restriction was lifted once when the Administration authorized \$50 million in fiscal year 1969 to insure loans to public bodies.

This policy was the result of studies by the Treasury Department which showed that it is not in the national interest for the Government to insure loans to public bodies if the interest income paid to lenders will be tax exempt.

Several bills have been introduced in Congress to require purchasers of insured bonds from the Farmers Home Administration to pay Federal income taxes on the interest earned on such bonds. This would overcome the policy ban against the sale to private investors by the Agricultural Credit Insurance Fund of tax-exempt obligations of public bodies.

However, there are uncertainties with regard to enactment of such legislation before the adjournment of Congress. The House Ways and Means Committee has reported a bill to this effect (H.R. 15979), but to date there has been no floor action on the bill.

About 70 percent of the applications received by the Farmers Home Administration for financial assistance for water and waste disposal systems come from municipalities, districts, public authorities, and other types of public bodies. Because the Farmers Home Administration is no longer permitted to use insured funds for these applicants, the FHA estimates that, in order to maintain the ratio of 3¼ to 1 between grant and direct loan funds during recent years, \$325 million in direct loans for communities would be required to match \$100 million in grant funds. The estimate for \$325 million is based upon past experience, as noted in the table in the attached letter from the Farmers Home Administration.

The FHA states that this ratio does not indicate the actual need, but merely reveals the level of funds available. For example, the FHA states, during the 1969 fiscal year, out of 726 initial loans made, only 328 of the same projects included grant funds. Inasmuch as grant funds have been limited, the FHA has adopted a policy of using only the amount of grant funds necessary to reduce user charges to a level the communities reasonably can be expected to pay.

I would like to comment on the figures for 1970 listed in the table in the attached FHA letter, which shows \$42 million for grants, \$64 million for direct loans, and \$80 million for insured loans.

The Bureau of the Budget had allocated only \$24 million in development grants for this program, although Congress had appropriated \$42 million for fiscal year for this purpose. However, in response to an appeal I made to the President in March of this year, the Bureau released the remaining \$18 million that had been held in budgetary reserve.

Congress also appropriated \$74 million for direct loans for rural water and sewer facilities, and the fiscal year 1970 budget request indicated that \$10 million in insured loan authority would be available. However, the Bureau of the Budget has released only \$64 million in direct loans and \$80 million in insured loan authority. Consequently, I wrote the President again on May 20 to request that these loan funds be released, and many of my colleagues in Congress joined me in this appeal. It was not until June 16 that the Bureau of the Budget wrote to deny the request.

Mr. Chairman, there are no loan funds presently available to supplement the \$18 million in development grants released in April by the Bureau of the Budget. Nearly 250 communities are awaiting approval of loans so that they can sign contracts to begin construction of their systems. Since the Administration has prohibited the use of insured loan authority, the Farmers Home Administration has advised me that at least \$25 million in direct loans is required, and that these loans could be used as soon as they are appropriated.

The need is urgent. The Farmers Home Administration has on hand at this time more than 2,000 loan requests requiring approximately \$480 million, and nearly 600 grant requests requiring \$50 million. In addition, the Agency has returned more than 3,500 loan requests and 2,400 grant requests because of insufficient funds. These communities are still in need of assistance; the applications returned would require approximately \$700 million in loan funds and \$300 million in grant funds.

The Farmers Home Administration has informed me that, while it is not making a recommendation for a budget increase, it can effectively administer at least \$400 million a year to assist approximately 2,000 water and waste disposal projects. At this level of funding, approximately four years would be required to fund the applications now on hand and those that have been returned because of insufficient funds. Even at this level of funding, it would take more than 27 years to satisfy the present need of \$11 billion for these systems.

To postpone taking action pending the uncertain enactment of legislation to deal with tax exemption of insured loan authority would only delay meaningful progress on this most urgent need.

In view of the above information, I have offered amendments to the fiscal year 1971 appropriation bill for the Department of Agriculture to appropriate \$100 million for grants and to provide \$350 million from the direct loan account for the rural water and sewer program.

Sincerely,

CHARLES E. GOODELL.

Mr. GOODELL. Mr. President, in that letter I stated that the need for direct loans had increased significantly especially since the Department of the Treasury had placed barriers around the use of the FHA insured loan program in the financing of rural water and sewer systems for communities that issue tax exempt bonds.

For the benefit of my colleagues, I will explain the Department's position. The Internal Revenue Service has ruled that a tax-exempt bond sold by a local government remains tax exempt even if it is resold as a loan insured by the Federal Government.

Due to this "carry-over" exemption, the Treasury Department and the Bureau of the Budget both feel that the federally insured tax-exempt obligation is a costly and inequitable method of financing while the tax exemption makes the insured loans more attractive to resell, the Department concluded the loss of tax revenue resulting from the exemption more than offsets the benefits.

Additionally, that the sale of bonds which are both tax exempt and insured by the Federal Government would give these bonds a competitive advantage over both State and local securities which are tax exempt but not federally insured, and also Federal securities which are subject to Federal income tax. As a result, the sale of such bonds could well have increased interest rates on other bonds, particularly those issued by States and localities and hampered their ability to finance other vital public needs.

Because more than 70 percent of the communities applying for FHA assistance issue tax-exempt obligations for the purpose of financing their projects.

Several bills have been introduced in Congress to require purchasers of insured bonds from the Farmers Home Administration to pay Federal income taxes on the interest earned on such bonds. This would terminate the carry-over exemption and the Treasury-Budget objection to the financing method.

The House Ways and Means Committee has reported a bill to this effect, H.R. 15979, which I understand was passed by the House on Monday, July 6.

I understand the administration, in cutting back to \$40 million in its fiscal 1971 request for direct loans, was counting on enactment of H.R. 15979 which would allow FHA to move ahead with insured loans to the communities for construction of their sewer and water systems.

Even if this legislation is passed by the Senate, there is no assurance the administration will provide the sufficient loan authority. In my May 20 letter to the President, I requested a \$30 million increase in the insured loan authority along with the release of \$10 million in direct loans. As I stated before, this request was denied.

If the President would not release \$30 million in insured loan authority to 30 percent of the applicants who did not issue tax-exempt obligations and did not provide a carry-over exemption, there is certainly no assurance that because of the House bill, he will provide additional insured loan authority to all communities.

My amendment providing \$350 million in direct loans, would assist communities regardless of subsequent action on the insured loan program.

I urge my colleagues to support the amendment so that adequate water and sewer facilities will be constructed to protect the well-being of our people and the quality of our environment.

Mr. DOMINICK. Mr. President, will the Senator from New York yield?

Mr. GOODELL. I yield.

Mr. DOMINICK. Just to get the figures in mind, do I correctly understand that the original budget request for the direct loan program was \$45,500,000, so that we are already some \$40 million or \$38 million over the budget request?

Mr. GOODELL. For the fiscal 1971 budget, the administration requested \$24 million in development grants and \$40 million in direct loans.

Mr. DOMINICK. \$24 million in rural water and waste disposal?

Mr. GOODELL. Yes, that is correct.

Mr. DOMINICK. \$40 million or \$45 million, does the Senator remember?

Mr. GOODELL. \$40 million.

Mr. DOMINICK. Fine. So that the committee bill is already substantially in excess of what the proposal was under the budget estimate.

Mr. GOODELL. The committee bill is \$60 million for development planning grants and actually \$78 million in direct loans.

Mr. DOMINICK. I thank the Senator.

Mr. MILLER. Mr. President, will the Senator from New York yield?

Mr. GOODELL. I yield.

Mr. MILLER. Does the Senator have the yeas and nays on his amendment?

Mr. GOODELL. No, I do not.

Mr. MILLER. Would the Senator have any objection to dividing his amendment for consideration?

Mr. GOODELL. Dividing it into two parts? I have no objection.

Mr. MILLER. I take it, for example, if the first part of the amendment should be defeated, that would not necessarily mean one would have to vote against the second part of the amendment. If the Senator thinks they could be separated without too much difficulty, I should like to propose that we do so.

Mr. GOODELL. I have no objection. I think the two go together. I was trying to save the time of the Senate and my colleagues. I am not aware that individual Senators would be that divided between the two parts, but if my colleague from Iowa believes that to be the case, I would be glad to consider them separately.

Mr. MILLER. Looking at it from my standpoint, I believe that the rural water and waste disposal grants represent a somewhat different program than the loan program affected by the first part of the Senator's amendment. I think that could be separated. It might mean it would strengthen the opportunity for the Senator from New York to obtain favorable action on at least one part of his amendment.

May I say that I do not think I can support the amendment as it is now, if it is voted on up or down; but if it would be divided, I might be able to see my way to support the second part of it. I ask this question only as a matter of trying to be helpful. So that if the Senator from New York could do so, I would hope there would be no objection.

Mr. President, I ask unanimous consent that we vote on this amendment in two parts.

The PRESIDING OFFICER (Mr. GOLDWATER). Is there objection?

Mr. HOLLAND. Mr. President, is the Senator requesting a division?

The PRESIDING OFFICER. The Senator from Iowa requests a division of the vote. Is there objection?

Mr. GOODELL. Mr. President, reserving the right to object, I regard very highly the support of the Senator from Iowa on any portion of the amendment. If the Senator from Iowa does believe that a separate vote might succeed in one instance, while it might not in another, I would withhold any objection.

The PRESIDING OFFICER (Mr. GOLDWATER). Is there objection to dividing the question of agreeing to the amendment of the Senator from New York? The Chair hears none, and it is so ordered.

Mr. GOODELL. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The Chair would inquire of the Senator from New York, which part?

Mr. GOODELL. The yeas and nays on both, Mr. President.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that it may be in order to order the yeas and nays on both questions.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the first part of the amendment of the Senator from New York.

Mr. HOLLAND. Mr. President, I send to the desk a substitute amendment on behalf of the Senator from Nebraska and myself, to be subject to the same provisions.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The substitute amendment offered by Senator Holland to the first part of the Goodell amendment is as follows:

On page 32, line 11, strike out "\$83,000,000" and insert the following "\$123,000,000".

Mr. HOLLAND. Mr. President, before we proceed to vote, I should like to say that what we are offering by way of a substitute is to reduce the \$355 million figure, which is on the first part of the Senator's amendment, to \$123 million, which is an increase of \$40 million over the \$83 million that is in the bill, and an increase of about \$80 million, as I recall it, over the budgeted amount.

Insofar as the second part of the amendment is concerned, we are offering the same increase as suggested by the Senator from New York.

Mr. GOODELL. Mr. President, a parliamentary inquiry.

Mr. HOLLAND. Mr. President—

The PRESIDING OFFICER. The Chair raises the question as to the first part of the substitute offered by the Senator from Florida to the amendment of the Senator from New York.

Mr. GOODELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GOODELL. As I understand the substitute offered by the Senator from Florida, it is to the first part of my amendment, but there is no substitute for the second part. Is that correct?

The PRESIDING OFFICER. The

Chair is informed that we have not gotten to the second part yet.

Mr. GOODELL. I thank the Chair.

Mr. HOLLAND. Mr. President, we offered the substitute not knowing, of course, that there would be a division here. There will be no difference in the two amendments. I simply want to call the attention of the Senate to the fact that the \$355 million suggested by the Senator from New York in the division of the first part of his amendment is such a tremendous increase over former amounts and budgeted amounts that I think it simply would create havoc if we tried to include such a large increase.

The amount of the 1970 authorization was \$78 million. The amount of the budget request for this year was \$40½ million. Both House and Senate put in \$78 million. That is for soil and water loans. For the farm ownership loan, the \$5 million figure is also the same in both Senate and House, making a total of \$83 million, which is the figure in the pending bill.

The Senator from New York suggests it be raised from \$83 million to \$355 million, which is an increase of \$272 million over the House bill and Senate bill and an increase of \$309½ million over the budget, which seems to the Senators from Nebraska and Florida to be completely unreasonable.

So we have suggested that instead of having the amendment for the first part of the Senator's bill read \$355 million, it will read, instead, \$123 million, which itself would be \$40 million more than the Senate bill, \$40 million more than the House bill, and about \$80 million over the budget. I think that is as far as we can reasonably go.

I suggest also to the Senator from New York, and I think he has already mentioned the fact, that a bill is pending under which a different ratio between loans and grants would be permitted. If that bill passes both Houses, and it is pending in both Houses, there could then be a reexamination of the whole subject in the supplemental bill.

As it stands now, however, the existing law would have to prevail as the Senator from Florida understands it. I would like to read an excerpt from a memorandum from the Department of Agriculture.

On the basis of past experience, about 45 percent of the total loans would have to be direct loans, because they would be made by public bodies which issue tax-exempt bonds. The department has recommended legislation, S. 144, which is pending before the Finance Committee which would make the interest income to an investor for insured loans by the FHA subject to taxation.

Similar legislation, H.R. 15979, was reported by the House Ways and Means Committee and passed by the House on Monday, July 6, 1970.

The situation is simply this, and we might as well recognize it. There is strong objection from the Treasury Department, from the Department of Agriculture, and from the administration to providing large additional sums for direct loans to municipalities that issue tax-exempt securities when the Federal Government has to pay the high interest rates that they must pay under existing conditions for its money.

It does not make sense to borrow at high rates of interest and then to lend to municipalities on a tax-exempt basis.

The Government itself is recommending a change in that law relating to these tax-exempt loans. When that legislation is passed, as I assume it will be, it seems to me that would be an appropriate time to consider a large increase such as suggested in the amendment of the Senator from New York.

If we increase the amount, as the Senator from New York now proposes, by such a huge amount on the direct loans, which would not be made because of the tax-exempt feature, it would be both a futile act and would be an act which would greatly increase the amount of the bill. I think it would make the bill even more difficult of proper consideration both before the Senate and the conference committee.

The first part of our suggested modification would reduce the \$355 million in the Senator's amendment to \$123 million and would itself mean a \$40 million increase in the Senate and House bills and about an \$80 million increase in the budget amount.

It seems to me that that is just as far as we can go.

Mr. GOODELL. Mr. President, I appreciate what the Senator from Florida has said. We are in a tight budget situation. We are attempting to cope with inflation and to hold spending down.

Mr. President, it seems to me that this is a self-defeating way to try to hold down expenses. Last year the appropriations for development and planning grants or direct loans were higher than the budget figure for this year. The figure we are dealing with in the committee bill is \$78 million for direct loans. I am proposing to increase it to \$350 million.

The Senator from Florida mentioned that local communities can float tax-exempt bonds. We are talking about little communities, communities with less than 5,500 people. They do not have very many assets. They do not have, in many cases, the ability to float bonds, tax exempt or otherwise.

In many instances, they are within the debt ceiling provided by State law. They are striving to provide water and sewage facilities to attract or to hold industry. Many of them have no sewage facilities at all.

We are dealing here with a critical matter. If they cannot provide adequate water and sewage facilities, they will lose more people. They will lose more of their tax base. And those people will pour into the cities that are inadequately prepared to deal with migrants.

The direct loan program is a way to assist these communities. It supplements the grants that are made available. It is an intelligent way to reinforce the resources of a small community so that it can help itself increase its tax base, attract new industry, increase its population, and thereby increase the revenue available to meet its other problems.

\$350 million may sound like a huge increase over the \$78 million direct loan authority in the committee bill. But the \$350 million is about half of the needs

of the State of Mississippi alone for rural water and sewerage projects. It is a very small sum. I think it is regrettable that the budget proposed by the administration actually cut in half the amount of money available for direct loans.

Both the House and the Senate appeared to be moving to correct that figure and to increase it at least to the level of last year.

It seems to me that it is indefensible, when we are talking about cleaning up the water in this country, to cut the budget in half. The figure I have proposed is inadequate. I proposed it because I think it at least would begin to move this country forward so that we could make some progress in constructing these projects rather than falling farther backward.

What I propose will be of direct consequence to every State in the Union. It will permit the small community of less than 5,500 to have a combination of direct grants and direct loans together with the money provided by both State and local money to make good on these projects.

As I mentioned, the cost for the construction of these facilities in New York State has been going up at the rate of 12 percent a year.

It may not be going up quite that fast in some of the other States. But we all know that construction costs are increasing at a fantastic rate.

If we defer action on this matter now, costs will be significantly higher. More importantly, however, than talking about this in terms of dollars and cents, we must address ourselves to the total impact program delay will have upon the small communities.

They are frequently the forgotten people. We are all deeply concerned about the urban problems. We see people mashed together with inadequate housing and with environmental problems and transportation problems and poverty problems. In the rural areas the same problems exist but they are less visible. The people are inured in many cases. They carry on with sacrifice and suffering and try to earn enough to get along. They organize through their chambers of commerce or other groups and try to attract industry. They try to save the communities in which many of them are born and raised so that they can cope with the problems of 1970. They cannot do it alone. They need the extra help. That was the original basis for the special program to provide direct grants and loans for communities of less than 5,500 population.

I would urge Senators to agree to the \$350 million level I have proposed and reject the substitute of \$123 million. We all know this is going to conference and we all know that in the normal course of events the figures quite likely will be reduced to the Senate committee level. I think we should start at a figure that is somewhere at least adequate in the Senate. Hopefully, the conferees can prevail in maintaining a high figure in both the development and planning grant section, and in the direct loan section.

Mr. President, I ask for the yeas and nays on the substitute.

The PRESIDING OFFICER (Mr. GOLDWATER). The yeas and nays are requested.

Mr. HRUSKA. On which one?

Mr. GOODELL. The only one pending.

The PRESIDING OFFICER. The yeas and nays are ordered.

Mr. HOLLAND. Mr. President, I want to make very clear for the RECORD what this committee has done. This goes to the second part of the amendment. Last year the budget recommended \$24 million for the grants for the small rural communities to plan their water and waste disposal activities. We raised that amount to \$46 million, although that was only recently released for use as the Senator from New York stated. That does not sound like we were trying to be niggardly in helping the small communities. This year they came forward with a budget estimate of \$24 million. The House raised that to \$100 million, and we included \$60 million in the Senate bill.

But we are suggesting in the second part of our substitute amendment to follow the exact course laid down by the Senator from New York in his amendment because we think these planning grants, are ready to move ahead and are very appropriate and we are willing to go that far.

Now, let us look at the other part. When it comes to the direct loan account, this year the budget request was \$40.5 million. The House provided \$78 million and in the Senate bill there was the same amount of \$78 million for these soil and water loans. The budget request for farm ownership loans was \$5 million, the same amount was in the House and the Senate bills, making a total of \$83 million. This is the figure sought to be changed both in the substitute amendment now pending and in the first part of the amendment of the Senator from New York.

We are adding to that \$83 million an additional \$40 million, making a total of \$123 million for these direct loans.

I must say this is against the recommendation of the administration and against the recommendation of the Treasury and against the recommendation of the Department. But in the meantime the Department has approved new legislation which would permit these loans under more favorable conditions to the small communities. If that legislation passes they will come back for larger amounts in the supplemental bill, if that seems desirable.

However, the law being as it is now, and the Department of the Treasury having the same attitude it now has, to raise the total now by \$309.5 million over the budget, or by \$272 million over the Senate figure, I think would be very improper and I do not think it would get us anywhere because of the attitude of both the Treasury and the Department of Agriculture.

I think we are more apt to get loans made in most distress cases if we raised it to \$123 million rather than \$355 million. It is for that reason the Senator from Nebraska and I have offered the substitute for the first part of the Senator's amendment.

Mr. GOODELL. Mr. President, every-

thing the Senator from Florida said in terms of the figures is obviously accurate. I respect what he has said. In effect he is saying the administration has frozen funds in the past year for direct loans, and frozen funds for grants; those funds for grants were ultimately unfrozen. The administration and the Bureau of the Budget requested this year we cut direct loan funds in half. This committee has responded responsibly by refusing to do so and by keeping it at the level of last year.

But, Mr. President, we cannot control what the Executive does. If we appropriate the money and the executive branch freezes the money, all we can do is put pressure on them and urge them to release the funds that are so desperately needed. This pressure was applied recently with the fiscal 1970 development grants—direct loans. My colleagues and I were successful in urging the President to release \$18 million in grants.

But, I think it is time that Congress made it unmistakably clear that we recognize the proportions of the problem and that we are willing to provide the money necessary to solve the problem. As I said in my opening remarks, the Farmers Home Administration has estimated the need in this area at \$11.283 billion. This is for the construction of sewer and water facilities in communities with less than 5,500 population, the rural communities. With a need of \$11.283 billion, if we spend today at the rate of \$400 million a year it will take us 28 years to meet this need. If we approved \$20 million in grants and \$40 million in direct loans, as proposed in the budget, a total of \$60 million a year, it would take us 188 years to clear up our water. These projections are just for the communities with a population of 5,500 or less.

Mr. President, that would give us the opportunity to celebrate "America the Beautiful," on July 4 in the year 2176—our 400th anniversary.

I am proposing a significant increase. It is not enough. But certainly it is justified to move to this level now and let the administration know that we understand this need; and those in the Bureau of the Budget who keep cutting this program back should take heed of the will of Congress.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. GOODELL. I yield.

Mr. STENNIS. Mr. President, I thank the Senator for yielding to me.

I am largely with him on virtually everything he said. I commend him for the frank and effective way he has handled himself with reference to these kinds of loans.

As a member of the subcommittee from which this bill came, I have shown an interest in the program reflected in this amendment for several years. I have been disappointed with the Bureau of the Budget that they have not given more attention to realizing the need. I think the logjam has already broken. The Senator from New York had much to do with it. As a practical matter I favor the program. It has been very helpful to my State and other States similarly situated.

But we are up against the proposition in conference where we will be opposed by the Bureau of the Budget and by the Treasury, and with the innumerable items in the bill there has to be some give and take; and I, with reluctance, offer this suggestion or observation to the Senator.

I really believe that if the Senator will take this \$123 million now and nail it down by the Senate having passed on it and agreed to it, and the committee sponsoring it, and also this \$60 million up to \$100 million, as a practical matter—I believe the end result will be better and it will leave those of us who wish to help our constituents meet their needs. There will be a better possibility of getting the money released.

That is what counts. We have to get the money used. I think it would be a victory for the cause the Senator so ably represents if he could, with reluctance, and unhappily, agree here with what the Senator representing the committee has proposed.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. GOODELL. I yield.

Mr. HRUSKA. Mr. President—

The PRESIDING OFFICER. Will the Senator yield? The Senator from New York has the floor.

Mr. GOODELL. Mr. President, I yielded to the Senator from Nebraska.

Mr. HRUSKA. Mr. President, the position of the Senate in conference will be infinitely improved if we follow the route the Senator has suggested. If we are looking, not to the figure named, but to the figure which will be utilized in good time, it will be much better. Meanwhile, if we have any excess energies, we could devote them to passage of the legislation which would reduce the number of direct loans and increase the number of insured loans. I fear the outcome of the conference if we walked into the conference room with a figure such as that which the Senator from New York advocates. I know he has a sense of urgency in this matter. I know there is an unfulfilled need and that the need is vital. However, to make progress toward fulfilling the need, we ought to be practical and get what we can, rather than name some figure which will have very little meaning when we approach the final stages of the legislation.

Mr. GOODELL. Mr. President, I appreciate very much what the Senator from Mississippi has said and what the Senator from Nebraska has suggested. I recognize that we face a realistic situation here and that the administration and the Bureau of the Budget pass directly on such funds and insured loan funds. I recognize that we are dealing with a large amount of money, but it is a small amount of money compared with the need.

Nobody has denied the needs I have outlined or the amount of money needed to clean up the waters for places with a population of 55,000 or less. It is incredible that we are talking about \$40 million or \$75 million a year. As I indicated, if the appropriated figure remains at the level of \$60 million, it will be 188 years before we clean up the waters.

I want us to be just as responsible as we possibly can in this body and in the Congress about spending money. The Farmers Home Administration has made it abundantly clear that it can spend more in the next fiscal year than the amount I am proposing. The agency is spending it to help small communities that are going down hill, that are losing their population and their industry. One of the major reasons why they are losing them in many cases is that they cannot build the facilities to take care of industry and people. So we have a downward spiral in the economy, the fiscal resources, and the human resources in those communities.

I cannot understand why we should go to a figure of \$123 million here in the Senate when the House figure is \$74 million. That means we will probably round the figure out at about \$100 million, when the absolute minimum is \$400 million a year. If the Senate conferees go to conference with a figure of \$350 million, they will be in a position to negotiate a higher figure in conference.

I recognize that the Senate conferees will have to yield to the will of the House and the House conferees to a degree, but I think if they go into conference with a figure of \$350 million, it will allow us to get a little closer to the amount that is needed.

I do not think we should make a decision in this body based on what the other body will do or has done. I do not think we should make a decision here just on the basis of the administration's budget figures. We know this administration faces a desperate budget situation. We know the administration is trying to hold down its expenditures in a responsible way. But we know the Bureau of the Budget makes many decisions at the lower level, which do not come to the attention of the President, or even the Secretary, in many cases. We have an independent responsibility, when there is a sincere striving to cut down on expenditures, and when they are cut down to the bone or into the bone, to increase those expenditures. I hope we will exer-

cise that independent responsibility here today and move to provide funds which everybody concedes are barely minimal to the needs involved.

Mr. HOLLAND. Mr. President, the substitute amendment would change the amount of \$355 million to \$123 million, which is \$40 million more than the committee amount and \$77.5 million more than the budget amount. We think it will get us more practical results by way of actual willingness to make loans on tax exempt securities than if we put in this huge amount which would have such heavy opposition from both the Treasury and the administration.

Mr. AIKEN. Mr. President, it seems to me in the present instance we have a good example of the need for greater cooperation between the executive and legislative branches of Government.

I was somewhat distressed when Congress directed the President to spend all the money appropriated for the hospital building program for the coming year within a specified time. I did not think we had any right to do that, although supporting the less damaging course, I voted to override the President's veto. On the other hand, I do not believe the executive branch is treating the country quite fairly when it withholds funds appropriated by the Congress for certain worthwhile purposes and programs in effect sets aside an act of Congress. This, of course, is done through the budget. In this present instance the proposal of the Senator from New York will have two hurdles to run, one the meeting of the conference committee and the other the hurdle of having the budget refuse to release the money even if it is appropriated.

So I say, with the national economy as it is today, it is time for a much better understanding and more cooperation between the legislative and executive branches of the Government. Otherwise, both branches are headed, I fear, for rather distressing times.

Homebuilding has been off something like 30 percent in my State from what it was a year ago. All prices and costs are

higher. So, Mr. President, when we speak of unifying the country—and there are many people who insist that we unify the country even with a broadaxe, if necessary—we had better think of unifying all the three branches of Government to a better basis than they are on today.

I realize that the amendment of the Senator from New York would be a very popular one, and would probably pass; but that is no assurance that the money would ever be spent. And if we do not start having better cooperation between the legislative and executive branches of the Government, I fear that we are in for very serious trouble, not only to our economy and our security but to our social life as well.

Mr. HATFIELD. Mr. President, I rise to support the Senator from New York in his efforts to increase funding for the Farmers Home Administration water and waste disposal facilities program. He has expressed himself well as to the needs for this increase nationwide. We must remember that in communities with fewer than 5,500 people, less than 1 percent of the households have incomes above \$10,000. Even more revealing is the fact that 42 percent of the households have incomes under \$5,000.

I would like to concentrate my remarks, Mr. President, on the current situation in Oregon. In my State \$135,000,000 is needed to finance rural water and sewer facilities. Unfortunately, estimates indicate this figure may increase by 12 percent each year as a result of inflation unless steps are taken to correct it.

At this point in the RECORD, Mr. President, I ask unanimous consent that a publication be reprinted in the RECORD from Oregon's Department of Environmental Quality entitled "An Estimate of Major Sewage Needs in Oregon," March 1970, which details sewage treatment needs for 89 Oregon projects. Examination of this list indicates many projects located in small communities.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF ENVIRONMENTAL QUALITY—AN ESTIMATE OF MAJOR SEWERAGE NEEDS IN OREGON, MAR. 1, 1970

Project	Sewage treatment works	Collection sewers	Estimated total cost	Project	Sewage treatment works	Collection sewers	Estimated total cost
Adrian.....	\$30,000	\$50,000	\$80,000	Gleneden.....	\$230,000	\$590,000	\$820,000
Albany.....		2,150,000	2,150,000	Gold Beach.....	300,000		300,000
Arch Cape.....	138,000	182,000	320,000	Grande Ronde.....	60,000		60,000
Arlington.....	200,000		200,000	Grants Pass.....	1,850,000	200,000	2,050,000
Astoria.....	4,908,000		4,908,000	Gresham.....	750,000		750,000
Aumsville.....	80,000	220,000	300,000	Hammond.....	250,000	240,000	490,000
Aurora.....	50,000	75,000	125,000	Hood River.....	1,000,000		1,000,000
Barlow.....	85,000	32,000	117,000	Ione.....	50,000	90,000	140,000
Bay City.....	262,000	338,000	600,000	Island City.....	40,000	80,000	120,000
Bend.....		8,500,000	8,500,000	Josephine County (Redwood).....	914,000	1,650,000	2,564,000
Bridal Veil.....	50,000	75,000	125,000	Lexington.....	100,000	86,000	186,000
Brookings.....	300,000		300,000	Long Creek.....	50,000	55,000	105,000
Bunker Hill, S.D.....	200,000		200,000	Lane County.....	1,300,000	300,000	1,600,000
Cannon Beach.....	337,000	338,000	675,000	Madras.....	206,000	926,000	1,132,000
Canyon City-John Day.....	250,000	200,000	450,000	Manzanita.....	90,000	180,000	270,000
Central Multnomah County Ser. District No. 5.....		9,000,000	9,000,000	Mapleton.....	50,000	50,000	100,000
Clackamas County Ser. District No. 1.....	6,685,000	5,000,000	11,685,000	McNary.....	150,000		150,000
Clatskanie.....	200,000		200,000	Mitchell.....	50,000	75,000	125,000
Cloverdale.....	127,000	41,000	168,000	Mosier.....	47,000	165,000	212,000
Columbia City.....	100,000	260,000	360,000	Mount Vernon.....	148,000	250,000	398,000
Coos Bay-Empire.....	700,000	500,000	1,200,000	Multnomah County Cent. Ser. District.....		9,000,000	9,000,000
Coquille.....	250,000		250,000	Myrtle Point.....	350,000		350,000
Eastside.....	150,000		150,000	Netarts-Oceanside S. D.....	350,000	590,000	940,000
Echo.....	150,000	200,000	350,000	North Bend.....	750,000	665,000	1,415,000
Eugene-Springfield-Lane Counties.....	10,000,000	15,000,000	25,000,000	Nyssa.....	250,000		250,000
Florence.....	220,000		220,000	Pacific City.....	125,000	150,000	275,000
Gardiner.....	80,000	50,000	130,000	Pendleton (Mount Hebron).....	75,000	100,000	175,000
Garibaldi.....	350,000		350,000	Philomath.....	507,000		507,000
Gilchrist.....	150,000		150,000	Portland (S.T.P.).....	14,609,000		14,609,000
Gladstone.....		400,000	400,000	Portland (Tryon Exp.).....	1,000,000		1,000,000

DEPARTMENT OF ENVIRONMENTAL QUALITY—AN ESTIMATE OF MAJOR SEWERAGE NEEDS IN OREGON, MAR 1, 1970—Con.

Project	Sewage treatment works	Collection sewers	Estimated total cost	Project	Sewage treatment works	Collection sewers	Estimated total cost
Port of Portland (airport).....	\$50,000		\$50,000	Tri-City S.D.....	\$407,000	\$1,274,000	\$1,681,000
Prairie City.....		\$35,000	35,000	Turner.....	65,000	125,000	190,000
Rainier.....	300,000		300,000	Umatilla.....	200,000		200,000
Redmond.....	500,000	1,000,000	1,500,000	Union.....	110,000	130,000	240,000
Richland.....	50,000	50,000	100,000	Unified Sewerage Agency.....	4,315,000		41,315,000
Rockaway.....	125,000		125,000	Veneta.....		100,000	100,000
Rogue River.....	120,000	135,000	255,000	Waldport.....	200,000	50,000	250,000
St. Helens.....	2,500,000		2,500,000	Wasco.....	75,000		75,000
Salem.....	8,000,000	3,000,000	11,000,000	Wheeler.....	170,000		170,000
Sandy.....	350,000	50,000	400,000	Wilsonville.....	400,000	100,000	500,000
Scotts Mills.....	52,000	118,000	170,000	Yachats.....	218,000	530,000	748,000
Seaside.....	75,000		75,000	Scappoose.....	637,000	633,000	1,270,000
Seneca.....	50,000	60,000	110,000	Vernonia.....	160,000	160,000	320,000
Siletz.....	90,000	50,000	140,000				
The Dalles S.T.P.....	910,000		910,000	Total.....	108,832,000	66,483,000	175,315,000
The Dalles (Chenoweth).....		830,000	830,000				

The following projects, listed in order of priority, are either under construction or soon will be and 30% federal grant funds totaling \$8,134,100 are available for them. This exhausts the federal funds for the fiscal year ending June 30, 1970. An additional \$7 million of 30% federal grant funds were requested.

Halsey, Oakland, Odell S.D., Ontario, Warrenton, Bandon, Moro, Nehalem, Troutdale, Oak Lodge S.D., Wallowa, N. Roseburg S.D., Paisley, Parkdale S.D.

Brookings, Merrill, White City S.D., Tillamook, Lebanon, North Powder, Wheeler, Dundee, Lake Oswego, Veneta, Gresham, Medford, (West) Salem, Cannon Beach.

McMinnville, Bend, Eugene, Clackamas County, Troutdale (Beaver Cr.), Pendleton, Portland Rivergate, Klamath Falls, Creswell, Newberg, West Linn, Hines, Portland Front, *Bear Creek Valley S.A.

Mr. HATFIELD. Mr. President, in May 1970, Oregon voters went to the polls and approved a constitutional amendment to help fight air and water pollution. The day after the election, I issued a statement commending my fellow Oregonians for digging into their pockets to finance this project during a period of severe economic straits. I will not repeat what my colleagues today have heard me say so often regarding the stagnation in Oregon's lumber and forest products industry caused by high interest rates and war-swollen inflationary pressures. In my statement I told Oregonians I would fight to see that the Federal Government increased its spending in this area.

Mr. President, I would like to have reprinted at this point in the RECORD excerpts from an article written before the election entitled "Financing Pollution Control Facilities—Oregon Constitutional Amendment," which gives an idea why my State felt this action was necessary:

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

FINANCING POLLUTION CONTROL FACILITIES OREGON'S CONSTITUTIONAL AMENDMENT

(By Kathleen Beaufait, Member, Oregon State Bar, Salem, Oreg., and Jack G. Collins, Member, Oregon State Bar, Portland, Oreg.¹)

The people of Oregon will be presented at the May 26, 1970, primary election with a proposed constitutional amendment which

* The Bear Creek Valley project will receive a partial federal grant this year. The balance of the grant will be from federal funds available for the fiscal year commencing July 1, 1970.

¹ The authors participated in the drafting of this constitutional amendment and its enabling legislation.

is intended to significantly improve local government efforts to control pollution.² This amendment will be Measure No. 4 on the primary ballot. The amendment authorizes sale of general obligation bonds by the State of Oregon up to 1 percent of the true cash value of all taxable property in the State—approximately 180 million dollars at present. The State may then advance the funds obtained from sale of these bonds to certain local government units for particular pollution control purposes, or may apply the funds to purchase the bonds or obligations of these local units issued for similar purposes. The facilities for which these funds are advanced must be not less than 70 percent self-supporting and self-liquidating from revenues, gifts, Federal grants, user charges, assessments, and other fees. Local units of government receiving money from the State must repay not less than 70 percent of such funds during a period not to exceed 30 years. The remaining 30 percent will come from the State General Fund.

Measure No. 4 was placed on the May 1970 primary ballot as a result of action by the 1969 Legislative Assembly which enacted House Joint Resolution 14 (HJR 14). House Joint Resolution 14 was introduced and sponsored by the House Committee on Natural Resources of the 1969 Legislative Assembly. This Joint Resolution was sponsored by the Committee at the request of the Citizens Committee on Pollution Legislation.³ The 1969 Legislative Assembly also enacted enabling legislation which limits, for the present biennium, the authority of the State to sell general obligation bonds to 50 million dollars and further limits the use of such funds to construction of sewage treatment works.⁴

² This proposed amendment is contained in House Joint Resolution 14, found at pages 1987-1988 of the Oregon Session Laws 1969.

³ This Committee has been referred to as the Hardy Committee—after its Chairman, Herbert C. Hardy, Member of the Oregon State Bar, Portland, Oregon. The remaining members of this Committee are: Grace B. Angerman, Jack G. Collins, Thomas C. Donaca, Ronald A. Findlay, M.D., Irvin H. Luiten, James A. Redden.

F. F. (Monte) Montgomery, Robert Moore, Margaret Spang, Michael H. Schmeer, Glen E. Randall, Palmer S. Torvend.

This Committee was formed during the fall of 1968 at the request of John D. Mosser, then Chairman of the State Sanitary Authority. As a result of governmental reorganization, the functions of the State Sanitary Authority have been assumed by the Environmental Quality Commission and the Department of Environmental Quality of the State of Oregon.

⁴ See House Bill 2060, codified as Chapter 656, Oregon Session Laws 1969, page 1622. Additional enabling legislation is found in House Bill 1174, codified as Chapter 503, Oregon Session Laws 1969, page 923.

This constitutional amendment was designed to solve certain particular problems. The most important of these is the inability of local units of government to finance facilities for the control of pollution. The hearings held before the House Committee on Natural Resources and the Senate Committee on Air and Water Quality and the Joint Committee on Ways and Means of the 1969 Legislative Assembly all demonstrated the pressing need for the immediate construction of such facilities and the inability of local units of government to finance them. In those instances in which local units of government had been able to obtain funds for construction of pollution control facilities, the interest cost has been substantially higher than similar costs upon obligations of the State of Oregon.

There are additional considerations which shaped the form and content of this constitutional amendment. At the outset it was apparent to the Citizens Committee that a decision should be made about the role of the State agency empowered to sell these State general obligation bonds. The Committee instructed its drafters to retain in local government units the initiative for obtaining and administering funds provided by this amendment. Operation, construction, and ownership of pollution control facilities were generally not to become the direct function of the State Sanitary Authority or its successor. The State Sanitary Authority or its successor was to be the agency in charge of obtaining and managing the fund created by the sale of State general obligation bonds. It is only to advance such funds to certain local government units for facilities which "conservatively appear" to be not less than 70 percent self-supporting and self-liquidating from revenues, gifts, Federal grants, user charges, assessments, and other fees. This amendment contemplates that the initiative in obtaining such State funds remains with the local units of government. It is these local units that must satisfy the State agency of the appropriateness of particular facilities and the ability of a local unit to repay not less than 70 percent of the funds advanced by the State.

The emphasis which this constitutional amendment places upon local government units requires that these local units have a full measure of power to act and obtain State funds provided by the amendment. Accordingly, local government units, including home-rule counties, are authorized to obtain these funds notwithstanding other constitutional or charter limitations.

Mr. HATFIELD. Mr. President, as I indicated earlier, \$135,000,000 is needed in Oregon today. Preliminary 1970 Federal census figures indicate that 220,826 Oregonians—10.7 percent of the population—live in communities of under 5,500 population. It is for this reason, therefore, that I give my wholehearted support to increasing these much-needed funds.

Mr. President, I would like to comment on the experience of one small town in Oregon and its problems in this area. I quote from a letter to me from Mr. Wayne Richards, community development specialist of the Jackson County Community Action Council. That letter states in part:

Representative Don Stathos advised writing to you in regard to pollution of the Rogue River. The City of Rogue River is in the embarrassing position of being partly responsible for polluting its famous namesake. After taking a routine water sample for its swimming classes in August of 1969 for its swimming classes, The Jackson County Parks and Recreation Department decided to bus the participants into Medford, 21 miles away. Evans Creek, which empties into the Rogue River at the townsite, has been officially posted as being polluted. The entire population of Rogue River (700) now uses septic tanks. Because they are in such close proximity to each other, several of the businesses share the same tank. Engineering surveys indicate clay subsoil which is very poor for proper drainage of septic tanks.

I call attention to the following paragraph; for it goes to the heart of the problem:

The City of Rogue River has repeatedly attempted to bond itself and pay for its sewer system. These bond issues have been unsuccessful because of the excessive financial burden placed on the tax payers. Two thirds of the inhabitants of Rogue River are over age 65 and living on fixed incomes. 538 social security checks were mailed to zip code 97537 of which Rogue River is the major part; these checks averaged \$71.46. The last bond issue presented before the voters in November of 1966 was for \$360,000.00—\$30,000.00 of which was a Farmers Home Administration Grant. That is 8% federal assistance.

I ask my colleagues to pay particular attention to this section of Mr. Richard's letter:

Inability to pay is clearly as much of a problem here as is the pollution of the river. The City of Rogue River is once again preparing an application to federal funding sources for grants to help pay for a sewer system. Is the national concern about pollution genuine? What kind of support need we solicit to obtain 50% to 80% federal grant participation?

In closing, Mr. President, I would note that the problems of Rogue River, Oreg., are not unique. Similar statements could be expressed by many mayors and county commissioners in small Oregon communities. It is for this reason, Mr. President, that I urge passage of the Goodell amendment.

The PRESIDING OFFICER (Mr. GOLDWATER). The question is on agreeing to the substitute amendment offered by the Senator from Florida (Mr. HOLLAND) for the first part of the amendment (No. 759) of the Senator from New York (Mr. GOODELL). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

Mr. HRUSKA. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HRUSKA. Is the vote on the Goodell amendment, or on the substitute amendment of the Senator from Florida and myself?

The PRESIDING OFFICER. On the Holland substitute for the first part of

the Goodell amendment, as the Chair stated. The clerk will call the roll.

Mr. GOODELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GOODELL. There are Senators who are inquiring as to the effect of the proposal. A "yea" vote for the substitute would be a vote for the \$123 million provided in the substitute; a "nay" vote would be a vote in opposition to the \$123 million and in favor of the \$355 million for which the substitute figure was offered; is that correct?

The PRESIDING OFFICER. As the Chair understands it, a "yea" vote for the Holland substitute would be for the \$123 million; a "nay" vote would be opposed to it. If the nays prevail, the amendment of the Senator from New York would be in order.

Mr. GOODELL. My amendment providing \$355 million would then be in order?

The PRESIDING OFFICER. The Senator is correct. The clerk will call the roll.

The bill clerk called the roll.

Mr. RANDOLPH (after having voted in the negative). Mr. President, on this vote I have a pair with the senior Senator from Missouri (Mr. SYMINGTON). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Connecticut (Mr. DODD), the Senator from Tennessee (Mr. GORE), the Senator from Oklahoma (Mr. HARRIS), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wyoming (Mr. MCGEE), the Senator from Alabama (Mr. SPARKMAN), the Senator from Missouri (Mr. SYMINGTON), the Senator from Georgia (Mr. RUSSELL) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL), the Senator from North Carolina (Mr. JORDAN), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Ohio (Mr. YOUNG) are absent on official business.

I further announce that, if present and voting, the Senator from North Carolina (Mr. JORDAN), the Senator from Washington (Mr. MAGNUSON) would each vote "yea."

I further announce that, if present and voting, the Senator from Connecticut (Mr. RIBICOFF) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. CURTIS), the Senator from California (Mr. MURPHY) and the Senator from Maine (Mrs. SMITH) are necessarily absent.

The Senator from Kentucky (Mr. COOK), the Senator from New York (Mr. JAVITS), the Senator from Illinois (Mr. PERCY) and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Nebraska (Mr. CURTIS), the Senator from South Dakota (Mr. MUNDT), the Senator from Illinois (Mr. PERCY) and

the Senator from Maine (Mr. SMITH) would each vote "yea."

On this vote, the Senator from California (Mr. MURPHY) is paired with the Senator from New York (Mr. JAVITS). If present and voting, the Senator from California would vote "yea" and the Senator from New York would vote "nay."

The result was announced—yeas 53, nays 24, as follows:

[No. 222 Leg.]

YEAS—53

Aiken	Fannin	Packwood
Allen	Fong	Pastore
Allott	Goldwater	Pearson
Baker	Griffin	Pell
Bellmon	Gurney	Prouty
Bennett	Hansen	Proxmire
Bible	Hart	Saxbe
Boggs	Holland	Scott
Burdick	Hollings	Smith, Ill.
Byrd, Va.	Hruska	Spong
Cannon	Jordan, Idaho	Stennis
Cotton	McClellan	Talmadge
Dole	McIntyre	Thurmond
Dominick	Miller	Tower
Eagleton	Mondale	Williams, N.J.
Eastland	Montoya	Williams, Del.
Ellender	Moss	Young, N. Dak.
Ervin	Muskie	

NAYS—24

Bayh	Goodell	Mansfield
Brooke	Hartke	Mathias
Byrd, W. Va.	Hatfield	McGovern
Case	Hughes	Metcalf
Church	Inouye	Nelson
Cooper	Jackson	Schweiker
Cranston	Kennedy	Tydings
Fulbright	Long	Yarborough

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Randolph, against.

NOT VOTING—22

Anderson	Jordan, N.C.	Russell
Cook	Magnuson	Smith, Maine
Curtis	McCarthy	Sparkman
Dodd	McGee	Stevens
Gore	Mundt	Symington
Gravel	Murphy	Young, Ohio
Harris	Percy	
Javits	Ribicoff	

So Mr. HOLLAND's substitute amendment for the first part of the Goodell amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLAND. Mr. President, at the time that the Senator from Nebraska and I drew our substitute amendment, the Senate had given consent to vote en bloc on the two original amendments. Later that was changed, and a division was ordered. It happens that the second part of our substitute is exactly identical with the second part of the amendment of the Senator from New York. I ask leave, therefore, on behalf of the Senator from Nebraska and myself, to withdraw the second part of our amendment.

Mr. STENNIS. Mr. President, reserving the right to object, as I understood, the Senator's substitute was adopted.

Mr. HOLLAND. The first part.

Mr. HRUSKA. The first part.

Mr. STENNIS. Mr. President, reserving the right to object, what is the reason now for dropping the second part?

Mr. HOLLAND. Mr. President, I do not blame the Senator for being confused, because I believe he was not in the Cham-

ber when the first part of the situation arose.

The Senator from New York offered an amendment in two parts and asked that the vote be en bloc, and consent was given. The Senator from Nebraska and I drew a substitute amendment, thinking that we were offering it to one that was en bloc. Later division was made. It happened that the second part of the substitute amendment was identical with the second part of the original amendment of the Senator from New York, and there is no point in our continuing. It amounted to an acceptance of the House amount of \$100 million. I will be glad to withdraw our part of that.

Mr. STENNIS. I thank the Senator. I was not in the Chamber at the time.

The PRESIDING OFFICER. The second amendment has never been formally offered, so the discussion is irrelevant.

Mr. GOODELL. Mr. President, if I understand the situation correctly, the Goodell amendment, as amended, is still pending, is it not?

The PRESIDING OFFICER. The Senator is correct.

Mr. GOODELL. The yeas and nays have been ordered on the amendment?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. GOODELL. As amended, it provides for \$123 million.

Mr. HOLLAND. No; \$100 million.

Mr. GOODELL. The Senator's substitute to my \$350 million was \$123 million, and that prevailed, and my amendment, as amended, is now pending. After the completion of the rollcall vote on that amendment, I shall offer the second amendment for the \$100 million in the development planning grants, a section which I understand the chairman and the ranking minority member will accept.

Mr. HOLLAND. I am perfectly willing to accept that, and I am perfectly willing to defer either or both rollcall votes. If the Senator would rather have a rollcall vote on the second part of his amendment, I am willing for that to be done.

Mr. GOODELL. We can proceed to a rollcall vote now to reinforce the conferees in conference.

Mr. HOLLAND. I suggest that the rollcall vote on the Holland portion of the amendment which already has been voted on by rollcall be set aside.

Mr. GOODELL. I would object to that. To clarify the record, those who voted against this also want to put it on the record that they are for the increase in the money of \$123 million over the committee recommendation.

The PRESIDING OFFICER (Mr. GOLDWATER). Objection is heard.

The question is on agreeing to the first part of the Goodell amendment, as amended.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Connecticut (Mr. DODD), the Senator from Tennessee (Mr. GORE), the Senator from Oklahoma (Mr. HARRIS), the Senator from Washington

(Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wyoming (Mr. MCGEE), the Senator from Georgia (Mr. RUSSELL), the Senator from Alabama (Mr. SPARKMAN), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Indiana (Mr. HARTKE) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL), the Senator from North Carolina (Mr. JORDAN), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Ohio (Mr. YOUNG) are absent on official business.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON), the Senator from North Carolina (Mr. JORDAN), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. CURTIS), the Senator from California (Mr. MURPHY) and the Senator from Maine (Mrs. SMITH) are necessarily absent.

The Senator from Kentucky (Mr. COOK), the Senator from New York (Mr. JAVITS), the Senator from Illinois (Mr. PERCY) and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Nebraska (Mr. CURTIS), the Senator from New York (Mr. JAVITS), the Senator from South Dakota (Mr. MUNDT), the Senator from California (Mr. MURPHY), the Senator from Illinois (Mr. PERCY) and the Senator from Maine (Mrs. SMITH) would each vote "yea."

The result was announced—yeas 70, nays 7, as follows:

[No. 223 Leg.]

YEAS—70

Aiken	Fulbright	Muskie
Allen	Goodell	Nelson
Allott	Griffin	Packwood
Baker	Hart	Pastore
Bayh	Hatfield	Pearson
Bellmon	Holland	Pell
Bible	Hollings	Prouty
Boggs	Hruska	Proxmire
Brooke	Hughes	Randolph
Burdick	Inouye	Saxbe
Byrd, Va.	Jackson	Schweiker
Byrd, W. Va.	Jordan, Idaho	Scott
Cannon	Kennedy	Smith, Ill.
Case	Long	Spong
Church	Mansfield	Stennis
Cooper	Mathias	Talmadge
Cranston	McClellan	Thurmond
Doie	McGovern	Tower
Eagleton	McIntyre	Tydings
Eastland	Metcalfe	Williams, N.J.
Ellender	Miller	Yarborough
Ervin	Mondale	Young, N. Dak.
Fannin	Montoya	
Fong	Moss	

NAYS—7

Bennett	Goldwater	Williams, Del.
Cotton	Gurney	
Dominick	Hansen	

NOT VOTING—23

Anderson	Javits	Ribicoff
Cook	Jordan, N.C.	Russell
Curtis	Magnuson	Smith, Maine
Dodd	McCarthy	Sparkman
Gore	McGee	Stevens
Gravel	Mundt	Symington
Harris	Murphy	Young, Ohio
Hartke	Percy	

So Mr. GOODELL's amendment, as amended, was agreed to.

Mr. HRUSKA. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. GOLDWATER). The question now recurs on the second part of the amendment of the Senator from New York. On this question the yeas and nays have been ordered.

Mr. GOODELL. Mr. President, the amendment would increase the appropriation of \$60 million recommended by the committee for development and planning grants to \$100 million.

The chairman of the committee and the ranking minority member have indicated that they are agreeable to accepting the amendment.

I ask unanimous consent to vacate the previous order for the yeas and nays.

Mr. MILLER. Objection.

The PRESIDING OFFICER (Mr. GOLDWATER). Objection is heard.

Mr. HOLLAND. Mr. President, I think the point was probably not made completely clear. The fact is that the action would make the amounts identical in the House and the Senate bills. If the second part of the amendment were agreed to, there would be nothing to take to conference. There would really be no reason to have a yea and nay vote that I can see. I appreciate the fact that the Senator from New York asked to vacate the order.

Mr. MILLER. Objection.

The PRESIDING OFFICER. Objection is heard.

Mr. DOMINICK. Mr. President, I am in favor of the second part of the amendment of the Senator from New York and the Senator from Florida. I was against the first one because it involved an \$80-million increase in the budget for direct loans which does not seem to me to make much sense.

If we can get into an insured loan program, we would do far better than with direct loans under which we would be loaning money and waiting 20 years to get it back.

I am very much in favor of the second part of the amendment to provide an additional \$40 million for the rural water and waste disposal grants.

Mr. HANSEN. Mr. President, as one of the seven Senators who voted against the first part of the Goodell amendment as amended by the Senator from Florida, I am not at all averse to the important work being done by the FHA in my State of Wyoming.

We have a very able administrator who has succeeded in financing all of the requests that have been made upon his agency for help by selling bonds within the State of Wyoming.

I think the distinguished Senator from Colorado put his finger precisely on the situation that obtains in Wyoming when he says that we can better use Federal funds for other purposes. By running a good operation it has been possible to sell bonds adequate to finance the FHA program in Wyoming. It is a good program.

It was in recognition of that fact that

I joined him in voting against the first part of the Goodell amendment as amended by the substitute of the Senator from Florida.

The PRESIDING OFFICER (Mr. GOLDWATER). The question recurs on the second part of the Goodell amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Connecticut (Mr. DODD), the Senator from Tennessee (Mr. GORE), the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wyoming (Mr. MCGEE), the Senator from Georgia (Mr. RUSSELL), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL), the Senator from North Carolina (Mr. JORDAN), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Ohio (Mr. YOUNG) are absent on official business.

I further announce that, if present and voting, the Senator from North Carolina (Mr. JORDAN), the Senator from Washington (Mr. MAGNUSON), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Missouri (Mr. SYMINGTON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. CURTIS), the Senator from California (Mr. MURPHY), and the Senator from Maine (Mrs. SMITH) are necessarily absent.

The Senator from Kentucky (Mr. COOK), the Senator from New York (Mr. JAVITS), the Senator from Illinois (Mr. PERCY), and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Nebraska (Mr. CURTIS), the Senator from New York (Mr. JAVITS), the Senator from South Dakota (Mr. MUNDT), the Senator from California (Mr. MURPHY), the Senator from Illinois (Mr. PERCY), and the Senator from Maine (Mrs. SMITH) would each vote "yea."

The result was announced—yeas 77, nays 0, as follows:

[No. 224 Leg.]

YEAS—77

Alken	Cranston	Hollings
Allen	Dole	Hruska
Allott	Dominick	Hughes
Baker	Eagleton	Inouye
Bayh	Eastland	Jackson
Bellmon	Ellender	Jordan, Idaho
Bennett	Ervin	Kennedy
Bible	Fannin	Long
Boggs	Fong	Mansfield
Brooke	Fulbright	Mathias
Burdick	Goldwater	McClellan
Byrd, Va.	Goodell	McGovern
Byrd, W. Va.	Griffin	McIntyre
Cannon	Gurney	Metcalfe
Case	Hansen	Miller
Church	Hart	Mondale
Cooper	Hatfield	Montoya
Cotton	Holland	Moss

Muskie	Randolph	Thurmond
Nelson	Saxbe	Tower
Packwood	Schweiker	Tydings
Pastore	Scott	Williams, N.J.
Pearson	Smith, Ill.	Williams, Del.
Pell	Spong	Yarborough
Prouty	Stennis	Young, N. Dak.
Proxmire	Talmadge	

NAYS—0

NOT VOTING—23

Anderson	Javits	Ribicoff
Cook	Jordan, N.C.	Russell
Curtis	Magnuson	Smith, Maine
Dodd	McCarthy	Sparkman
Gore	McGee	Stevens
Gravel	Mundt	Symington
Harris	Murphy	Young, Ohio
Hartke	Percy	

So the second part of Mr. GOODELL's amendment No. 759 was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 17548) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, offices, and the Department of Housing and Urban Development for the fiscal year ending June 30, 1971, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. EVINS of Tennessee, Mr. BOLAND, Mr. SHIPLEY, Mr. GIAIMO, Mr. MARSH, Mr. PRYOR of Arkansas, Mr. MAHON, Mr. JONAS, Mr. TALCOTT, Mr. MCDADE, Mr. DEL CLAWSON, and Mr. Bow were appointed managers on the part of the House at the conference.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1971

The Senate resumed the consideration of the bill (H.R. 17923) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes.

NEED FOR ADEQUATE FUNDING OF AGRICULTURE PROGRAMS

Mr. MONTOKA. Mr. President, there are a number of items in the Agriculture and related agencies appropriation bill for fiscal 1971 on which I wish to comment and urge favorable action. Agriculture is very important in my State of New Mexico, and I am convinced that a healthy agricultural sector of the economy is directly linked to the prosperity and well-being of the Nation as a whole. We must be sure that we provide adequate levels of financing for farm programs.

The ACP, or agricultural conservation program, should be given increasing priority as the Nation mobilizes its resources to improve the quality of our physical environment. The funds expended for ACP practices return to the Nation the greatest possible conservation and pollution-abatement benefits. While this program provides a proven means of meeting local conservation needs as determined locally, it has proven to be far more comprehensive and

effective than other approaches adopted in recent years.

In New Mexico, \$2.1 million was spent for agricultural conservation programs in 1969, and it is estimated that \$2.26 million will be spent in 1970.

It is ironical that, just as the importance of preserving our natural resources and environment is becoming fully recognized, the President proposed the elimination of all funds for 1970 and 1971 for the agricultural conservation program. The Congress, however, has had the wisdom to retain an adequate level of funding for the ACP. For fiscal 1971, the House appropriated \$195.5 million, and your Senate committee recommended \$190 million. I would hope that the Senate will approve a level of funding essentially consistent with these amounts in the pending bill.

Amounts due under the agricultural conservation program are legal commitments, and funds must be provided. Contracts between individual farmers and the Government are entered into under the program announced the previous year. Nevertheless, \$10.5 million of the amount provided by the Congress for the fiscal 1970 program was held in reserve by the Bureau of the Budget. I would like to state for the record at this time that the President must allocate the full amount appropriated by Congress for this worthwhile program. There should be no impounding of funds as occurred this past year, particularly for a program such as this that conserves our precious land and water resources.

Earlier this year, I urged the Subcommittee on Agricultural Appropriations to provide adequate funding and personnel for the Soil Conservation Service, the operations of which are closely related to the ACP. The SCS provides technical advice to the agricultural conservation program—thus contributing in an essential way to the practices and programs that are so vital to the improvement of our natural environment.

I am concerned that the SCS staff is far below what is needed to adequately serve the workload with which it is faced. In fact recent estimates by the conservation district officials indicate that 2,325 additional man-years are needed annually to meet present needs. Instead, we have in recent years reduced the SCS work force. In the 1969 fiscal year, a total of 10,424 man-years were available to provide technical assistance under the conservation operations program. This represents a reduction of more than 1,000 man-years during the past 10 years.

New Mexico has shared in this loss of staff. In 1959, we had 291 budget positions in SCS. The personnel ceiling for SCS in New Mexico for June 30, 1970, is set at 257. And this is on top of the fact that during this period new and important programs and responsibilities have been added placing additional demands on fewer people. We must reverse this trend. Our SCS personnel are dedicated and efficient workers, but there are limits to what they can do. It is time we recognized that it takes people to get a job done.

The work of the SCS is essential to New Mexico and vital to the future of the

Nation. Let us continue to provide the funds and personnel to allow this work to go forward.

Watershed planning is another area that concerns me. In New Mexico more than 40 communities have applied and are waiting for assistance to prepare watershed work plans. They recognize in many cases a plan to eliminate serious flood hazards and restore their upstream watersheds is essential to their economic growth and welfare. Nationally there were 2,866 watershed applications on hand on February 1, 1970. A total of 1,551 had been authorized for planning. That left 1,315 still waiting for Federal help in planning. This gap is too wide and it is increasing. We must provide the funds necessary for steady progress in the Nation's watershed planning.

Another area of concern—lending authorization for the Rural Electrification Administration—will directly benefit all of rural America and indirectly benefit our urban people.

The Senate Appropriations Committee, after a most careful scrutiny saw fit to provide \$352 million in REA's obligational authority during the 1971 fiscal year. This is \$30 million more than was requested by the administration in its budget request. The additional along with the \$23 million in carryover funds—\$20 million of which we made available last year but the Budget Bureau withheld from use—makes possible a \$375 million electric loan program for the 1971 fiscal year.

As you recall, the House this year approved a \$322 million electric loan program. What the Senate Appropriations Committee recommends, and what I sincerely hope we will approve, is a small additional amount which will help alleviate the very real need for low-cost capital in the thinly populated portions of our Nation. The committee's report points out that—

In view of the large backlog of unserviced loan applications . . . a modest increase of \$30 million is the additional amount that should be made available during the coming fiscal year.

We all know of the increasing demands for electrical power. REA has on hand the largest unserviced backlog of loan applications in its history. The backlog of applications was recently estimated at just under \$433 million, of which \$4 million is for New Mexico. Total applications to be considered by REA during the 1971 fiscal year are forecast at close to \$900 million, of which over \$12 million is for New Mexico. The State of New Mexico has 17 rural electric cooperatives.

I do not need to catalog for you the amazing success story that we have in rural electrification. We all know its blessings. Moreover, we have an encouraging prospect in the efforts of the rural electric systems to provide supplementary financing of their own to fill some of the gap which results from increasing rural power needs and the increasing cost of power facilities due to inflation in the Nation's economy. The committee has taken into account the formation of the National Rural Utilities Cooperative Finance Corporation—a new credit institu-

tion in the private sector wholly owned by the rural electric systems, which are in turn locally owned by some 6 million rural consumers served by these systems. A vote by the Senate in support of the committee's recommendations will also be a vote of encouragement to the rural electric effort to seek supplementary financing outside the Government. In light of current inflation, there is no better time than now to encourage this effort.

There is a follow-up concern that we should call to the attention of the administration—and that is the release to REA of the funds we authorize. The \$20 million approved for use in fiscal 1970 were held back by the Budget Bureau despite REA's demonstration of a critical need. I would hope that the Senate's decisions this year will not be disregarded and negated by the Bureau of the Budget.

Rural telephone systems, too, have been attempting for sometime to establish a financial institution to create supplementary capital for that program and thus relieve some of the pressure on REA. The Senate committee recommends an additional \$15 million for telephone loans beyond the administration's budget estimate, and I hope that the Senate will support the committee by also improving these badly needed funds.

I have mentioned only a few of many programs funded by this bill that are vital to the prosperity of rural America and the farming industry, and eventually to the health of the American economy as a whole. Although some urban residents apparently do not realize it, agriculture is still the Nation's No. 1 industry. It employs over 5 million workers, and its assets total \$298 billion—equal to about two-thirds of the current assets of all corporations of the United States.

Although our farm population today comprises only slightly over 5 percent of our total population, farmers buy about \$37 billion in production goods and services per year. The commercial farmer buys about 5 percent of our total steel production, about \$1.6 billion of our petroleum products or 11 percent of the total sold. He buys enough rubber for his cars and tractors to put tires on 7.5 million cars, and it has been estimated that his purchases are the basis for about 6 million jobs in machinery, chemical and other supply industries. And his products, in turn, are the basis for processing and marketing industries which provide an estimated 14 to 16 million jobs.

Unfortunately, the Department of Agriculture is identified in many minds only with 5.1 percent of our people who are on the farm. In reality, it represents the 94.9 percent of the nonfarmers more closely than does any other department, for it represents the source of food, clothing, and shelter for all Americans—and also represents the largest individual market for labor and industry. For the sake of all Americans, we cannot shortchange the programs of the Department of Agriculture and related agencies. Instead, we must make the investment to sustain a strong agricultural sector, and thus help to maintain a strong and viable America.

THE GROWING THREAT OF FOWL CHOLERA—AGRICULTURAL APPROPRIATION BEGINS RESEARCH FOR PROTECTION

Mr. YARBOROUGH. Mr. President, in our consideration of the agricultural appropriations bill, it is important for us to recognize the tremendous benefits provided to all the citizens of our Nation by the funds we appropriate in this area. When we appropriate funds for research to improve our agricultural production, the benefit is often enjoyed in terms of more healthful food and lower costs to consumers. I commend the distinguished Senator from Florida (Mr. HOLLAND) for his action in committee in accepting the \$100,000 amendment.

One item contained in the bill under consideration today provides an example of how we can act to benefit consumers.

The Appropriations Committee, on which it is my honor to serve, included \$100,000 in the appropriation for the Agricultural Research Service in order to commence a program of research into fowl cholera in turkeys.

Over the past few years there has been a sudden increase in the incidence of this disease in turkeys, and it is having a very serious impact on the producers throughout the Nation.

From 1951 to 1964, it is estimated that the loss to the turkey industry due to cholera was less than \$2 million annually. Since 1964, the incidence of cholera has increased rapidly, and in 1968 and 1969 the loss has risen to over \$14 million annually. Without prompt remedial action, the losses are expected to continue to grow more serious.

The disease of fowl cholera in turkeys is a very serious problem in Texas. It is estimated that of the approximately 8 million turkeys in Texas, over 50 percent were affected by this disease in 1969. This is a much higher percentage of birds affected than in any of the other top producing States. However, the disease is on the increase in these other States.

In order to launch a full-scale attack against this rapidly spreading disease, the appropriation should be \$500,000 rather than the modest \$100,000 we have included in the bill. However, the \$100,000 will provide us a beginning on the program to control fowl cholera in turkeys.

In view of the tremendous impact that this disease is having on the turkey producers in my State of Texas as well as many other States, it is my strong recommendation that the Agricultural Research Service consider the magnitude of this problem very carefully, and that as they commence this research program, they should be prepared to use up to \$100,000 of the contingency funds made available to them to supplement the \$100,000 appropriated for this purpose. The point I wish to make is that the problem is so great that the search for a solution should not be delayed.

The PRESIDING OFFICER. The bill is open to further amendment.

AMENDMENT NO. 763

Mr. MCGOVERN. Mr. President, I call up my amendment No. 763, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read amendment No. 763, as follows:

On page 20, line 24, strike out "\$1,250,000,000" and insert in lieu thereof "\$2,000,000,000".

Mr. McGOVERN. Mr. President, this amendment would have had the effect of increasing the food stamp appropriation from \$1.250 billion to \$2 billion, as previously authorized by the Senate; but, after consultation with the distinguished Senator from Florida (Mr. HOLLAND) and the distinguished Senator from Louisiana (Mr. ELLENDER) and with Members on the other side of the aisle, especially the Senator from Massachusetts (Mr. BROOKE), it has seemed more prudent to reduce the proposed increase to the figure of \$1.750 billion. In other words, we would be increasing the amount in the bill as reported by the committee from \$1.250 billion to \$1.750 billion.

I ask that the amendment be so changed so that it reflects the figure \$1.750 billion.

The PRESIDING OFFICER. Does the Senator so wish to modify his amendment?

Mr. McGOVERN. Yes; I ask that it be modified so that the figure \$2 billion is changed to \$1.750 billion.

The PRESIDING OFFICER. The amendment is so modified.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. HOLLAND. The Senator does not wish to indicate at all, does he, that the Senator from Louisiana and the Senator from Florida have agreed to the figure?

Mr. McGOVERN. No; I was going to comment on that. I understand that the Senator from Florida as well as the Senator from Louisiana are opposed to any increase at all in the amount recommended by the committee.

I simply wanted to make clear to the Senate that one of my reasons in reducing the amount in the proposed amendment is the concern expressed by the Senator from Florida and the Senator from Louisiana about the attitude in the House of Representatives toward a substantial increase above the \$1.250 billion that was approved in the other body by the Appropriations Committee.

Mr. President, it was over 3 years ago that the shameful phenomenon of hunger and malnutrition first came to light here in America, the richest nation in the world.

For many years, Americans had been aware of hungry millions around the world but ignorant of hungry fellow citizens in their own country, their own States, their own cities—indeed their own neighborhoods.

As a director of the overseas food for peace program at the beginning of the last decade, I was as unaware as most Americans of the hunger in our own land.

The discovery of hunger and malnutrition here at home was so shocking—and so surprising—that its existence was immediately met with incredulity by some of the highest officials of the Government and by Members of Congress.

It is not so, they said. There is no widespread hunger in America. Perhaps, there are isolated areas where Americans are not getting enough to eat. But hunger affecting millions of Americans? No, it just cannot be. America is too rich, her abundance too great, for such a serious problem to exist on a national scale.

This incredulity, this shock and surprise, sprang from a basic sense of decency. For no American wants any other American to go hungry if it can be helped. The questions raised about just how widespread hunger is in America deserved an honest and dispassionate answer. And the Senate established a select committee to seek that answer.

For the past 18 months, I have had the honor of chairing that select committee, and I have had the privilege of working with other Members of the Senate who have been unsparing in their efforts to bring an answer back to the Senate.

Let me mention just a few of them. Senator HOLLAND and Senator ELLENDER, who for many years before I joined this body, were sponsoring legislation to feed our people. Senator MONDALE, Senator KENNEDY, Senator HART, Senator PELL, Senator YARBOROUGH and Senator TALMADGE who played such an important role in the enactment of a new and comprehensive School Lunch Act this year.

On the Republican side, Senator JAVITS, Senator PERCY, and Senator COOK have from the very beginning been among the hardest driving members of the committee. I am particularly appreciative of their efforts because they have been a living demonstration that when it comes to the issue of hunger, bipartisanship is the order of the day.

I also want to express my appreciation to Senator BROOKE and Senator HOLLINGS for their efforts to gather support for the amendment we are voting on today.

The cooperation of the Democratic and Republican members of the select committee proves that hunger is not a political issue but a human issue to which we all respond equally.

The select committee has worked hard. It has held countless hearings, in Washington and around the country, and heard hundreds of witnesses. It has searched for the answer to whether hunger and malnutrition affect millions of our people. It has heard and it has seen for itself, and it has brought back an answer.

Hunger and malnutrition does exist in this rich Nation. It exists in every section of this Nation. It is not an isolated circumstance. It is a national tragedy.

Hunger and malnutrition in America according to the National Nutrition Survey conducted by the Public Health Service, is as widespread among our poor as it is in some of the world's most underdeveloped countries.

The cost of this hunger and malnutrition in economic terms alone, the Bureau of the Budget reports, is staggering. For every dollar not spent providing the hungry with food, the Government ends up spending \$3 providing the poor with care the remainder of their lives.

For hunger and malnutrition are not a fleeting thing. They hurt for a lifetime. The malnourished child is weak and vul-

nerable to disease—disease that stunts his mental and physical ability. A mother who is malnourished cannot care properly for her children. A father cannot work effectively on an empty stomach and a weakened body.

There is no longer any argument about this tragedy. The President himself put the argument to rest when he sent his historic hunger message to Congress last April, saying:

There can be no doubt that hunger and malnutrition exist in America and some millions may be affected. That hunger and malnutrition should persist in a land such as ours is embarrassing and intolerable.

There is no longer any disagreement about what needs to be done to meet this problem. We need to reform and expand the food stamp program until it puts food on the table of every hungry family.

There is some disagreement over how fast we must do what needs to be done. The Senate thoroughly debated this issue last September. Then it decided. It decided to enact a fully adequate food stamp program and to authorize the funds necessary to expand that program. That amount for fiscal year 1971 was \$2 billion.

The question before us today is simple. The question is, will we honor that pledge, or will we ask the hungry to wait yet another year to obtain food for their children?

During the past 5 months we have taken the first step toward meeting last year's promise. Participation in the food stamp program has jumped from about 3½ million to nearly 6 million. This expansion has been made possible by the additional funding provided for the program last year.

But, if we are to continue that expansion, we must act now to raise the budget request for the food stamp program in fiscal year 1971.

• The Appropriations Committee has recommended that we appropriate \$1.25 billion for food stamps this year. But that recommendation was made before it became apparent that the \$1.25 billion figure would not permit any further expansion of the program.

Testifying before the Select Committee on Nutrition just 3 weeks ago, Assistant Secretary of Agriculture Lyng said:

The acceptance of the food stamp program has been such that we may have some very real problems in the coming fiscal year 1971. It is beginning to be very apparent to us that counties which may want to switch to food stamps will have to be denied because this appropriation figure (1.25 billion) will be insufficient.

The arithmetic on which he based this statement is elementary. USDA estimates that the per person cost of the food stamp program will run at about \$200 for the coming year. Present participation is about 6 million. Multiplying 6 million by \$200 we see that it will cost us \$1.2 billion just to maintain the program at its present level.

Mr. President, this present level is not adequate. There are 25 million poor people in the country today; 15 million of these people receive no food assistance of any kind. Unless we appropriate enough money to continue the expansion of the

food stamp program, these same 15 million people will remain without assistance throughout 1971.

In the legislation which passed the Senate last fall we authorized the expenditure of \$2 billion on food stamps during fiscal year 1971. Having already gone on record for a \$2 billion authorization, and knowing that anything a great deal less than this figure will leave millions of Americans without assistance, I cannot see how we can justify appropriation of any amount other than the \$1.75 billion that we are seeking today.

To fail to appropriate the full \$2 billion is even less justifiable when we consider that Assistant Secretary of Agriculture Lyng told my committee on June 19 that, and I quote directly:

The best figure that we can come up with is that there are probably something like 14 million people in the United States who are in need of food assistance this year.

Mr. Lyng did not say that these people needed help sometime in the misty future, he said that they require food assistance now, this year.

Simple multiplication will tell you that an appropriation of \$1.25 billion for food stamps can never provide assistance to 14 million people. In fact, it will serve only 6 million people. When the 4 million commodity recipients are added in, this means that we will fall 4 million short of the extremely modest goal which USDA itself set less than 1 month ago.

On the other hand, if we raise the appropriation for food stamps to \$1.75 billion, we will permit continued expansion of the food stamp program up to 8 million persons, for a total of 12 million persons. While this is still 2 million short of the goal of 14 million, it is continued improvement.

Mr. President, I am at a loss to understand how USDA can tell us one week that we must feed 14 million people next year, then turn around the next week and oppose an appropriation specifically tailored to feed 12 of those 14 million.

I am even further at a loss to see how the testimony of Assistant Secretary Lyng could be construed, as it apparently has been by some Members, to constitute a firm defense of the \$1.25 billion administration request.

Yesterday, in this Chamber, we decided that we as a nation could afford to spend \$3.3 billion exploring space in the coming year. It will be a sorry spectacle for the poor of this Nation if, in the face of all the fine promises and rhetoric of the past year, we now turn around when the crunch is on and tell these people that we can afford \$3.3 billion to explore outer space, but that we cannot afford 60 percent of that amount to end hunger in America.

There is one more reason why I believe that it is imperative that the Senate provide \$1.75 billion funding of the food stamp program. As we all know so well, the Senate is not a complete legislative system in itself. The House also has duties and responsibilities on these matters. In this instance, the House has already appropriated just \$1.25 billion. Knowing the determined Members of the other body, I suspect that the \$1.75 billion which the Senate should appropriate will

be trimmed somewhat in conference. While I feel that any trimming will be at the expense of the poor and must be opposed vigorously, we must be realistic. If we are to have anything like an adequate appropriation for the food stamp program in the coming year, we must stand firm for at least \$1.75 billion, which is still \$250 million short of the \$2 billion which we authorized last year.

I know that it will be said that the \$1.25 billion recommended by the distinguished members of the Appropriations Committee is double the amount spent during the past year. The trouble with this argument is that it fails to note that 75 percent of the money spent last year was spent during the last 5 months of the year. As of May, USDA was spending on food stamps at an annualized rate of over \$1 billion. Thus the actual effect of a \$1.25 billion appropriation for the coming year will be to freeze the program at its present level.

It may also be said that the House has failed to provide a new authorization for the food stamp program, and that we should wait for the House. This argument is irrelevant. Both the \$1.25 billion figure and the \$2 billion figure for which I argue exceed the House authorization. Both figures would require the needed House authorization before they could actually be spent. What I am saying today is that \$2 billion is the amount that is needed to permit the operation of an effective, expanding program. The Senate should go on record again today in favor of what is needed to do the job.

I am familiar with the arguments against full funding of the food stamp program. I know that some people feel that the country cannot afford to do the job properly so long as the war continues. I know that other people argue that added expenditures at this time would be inflationary.

Mr. President, I must take exception with these arguments. For over a year now we have had in our possession a Bureau of the Budget study which shows that it actually costs more to permit malnutrition to continue than it would to end it. Providing people with a few extra dollars to spend on food commodities with which we are oversupplied is not inflationary.

As another example of the tragic cost of permitting malnutrition to continue, I would cite the cost of caring for a person who is mentally retarded. That cost, for a lifetime, is in the neighborhood of \$250,000. And there is strong evidence that malnutrition in childhood does indeed result in mental and physical impairment.

Further delay is inexcusable. If we are really committed to ending hunger in America let us vote our commitment, and let us do so today by providing increased funding for our first line of defense against hunger, the food stamp program.

I ask unanimous consent to have printed in the Record an excerpt from the hearing of the Select Committee on Nutrition and Human Needs on June 19, 1970.

There being no objection, the excerpt

was ordered to be printed in the Record, as follows:

EXCERPTS FROM HEARING OF THE SELECT COMMITTEE ON NUTRITION AND HUMAN NEEDS

Senator McGovern. They are now up to 5.9 million participants. How many people do you think still need this program that we haven't yet reached?

Mr. Lyng. I asked the staff, Mr. Chairman, anticipating that question, to try to give me some information on the size of the target group. As you can well imagine, these are estimates. First of all, in defining the poor, the levels and all the rest of this, we work on all kinds of assumptions and estimates. The best figure that we can come up with is that there are probably something like 14 million people in the United States who are in need of food assistance this year.

This is a figure that can be debated and argued. I think if we had some of the experts here from the economic research service they can build a case for this 14 million figure.

Senator McGovern. Can you tell us what criteria you used in arriving at that figure?

Mr. Lyng. Well, I think it is based upon the number of families with incomes below the poverty threshold in the last published figures of the Bureau of the Census, and then applying some figures obtained in the 1965 household food consumption survey made by the Department of Agriculture among these groups—this was a sampling—it indicated the percentage that were not receiving nutritious meals, and then putting those together. Also, then taking in some recognition of the public assistance welfare load, Federal assistance, we are now providing food programs for more people than are receiving Federal assistance for aid to families with dependent children. This is not necessarily a valid relationship, but it is one figure. This could be off several million.

Senator McGovern. When you use the figure 14 million as the target figure, that would be the total number of people that you would feel at this point should be participating, or is that figure above and beyond what we are now reaching?

In other words, you are talking about an approximately additional 8 million people that you would like to see reached?

Mr. Lyng. Inasmuch as we now have 10 million people participating in commodities or food stamps, we would think that it would be something like four million, or perhaps five million more.

Senator McGovern. Your judgment is that at the present time you are doing a fairly good job on 10 million people in terms of getting food assistance to them?

Mr. Lyng. Well, we are getting some food assistance to them. We think we are doing a fairly good job, particularly in the food stamp area, those who are participating there. I think it might be an exaggeration to say that we are doing a fairly good job in commodities. I suspect that commodities are only an augmentation and probably don't go as far as they should in this area. I wouldn't really want to say that that is a fairly good job.

Senator McGovern. But the Department's goal, as I understand it, would be to move all of these fourteen million people into the Food Stamp Program as quickly as it can be done?

Mr. Lyng. That is correct, or however many it is. If it is 15 or 16 or 17 million that would be our goal.

Senator McGovern. The committee was using the poverty figure which comes out to about 25 million that are below the poverty line. But even if we were to accept the figure that you cite of 14 million, that still means that there are some eight million of those people outside of the Food Stamp Program and of that amount four million that are not even in the Commodity Program. Even accepting that, and I think those estimates are very, very conservative, how do you plan

to carry on an expansion to reach those people within the requested authorization that the Administration has sent to the Congress? I believe it is \$1.25 billion. That really doesn't do much more than hold you at the present level, does it, Mr. Secretary?

Mr. LYNG. This may be correct, Senator, as we move along. The acceptance of these programs has been such that we may have some real problems in the coming fiscal year. It is beginning to be very apparent to us that counties which may want to switch to food stamps will have to be denied because this appropriation figure will at this point be insufficient.

As you know, this figure was submitted last fall, before we moved into these new programs, and it was our best estimate of as fast as we could move at that time. The request from counties for food stamps will depend a lot upon that. At this point we have now notified all counties that have applied for food stamps that they have been certified for food stamps. Unless they have come in in the last two or three days, we have no pending applications. But I suspect we may have. Depending upon the case load or the participants we may run into some difficulties.

Senator McGOVERN. I noticed from your figures, Mr. Secretary, that the bonus cost, that is, the outlay of the Department, comes to just under \$200 a year for the average participant. We did a little extrapolation on that. If you had the \$2 billion that was authorized in the Senate bill, you could reach 10 million people with the Food Stamp Program which would lift that nearly 6 million that you now have up to 10 million.

If you had your way, would you advocate that we fund this program at the level in the Senate bill, \$2 billion?

Mr. LYNG. We have no disagreement, Mr. Chairman, with the need for approximately this much. As a matter of fact, we estimate that in time this program perhaps will cost the \$2.5 billion to move to the universe.

Senator McGOVERN. I think it would, if you moved along.

Mr. LYNG. But I think we have felt, and I am not ready to say that we want to amend our budget request, that during this fiscal year this was about as fast as we could move in converting the program. Maybe, as I said, that the thing could be moved along quicker. In the following fiscal year we anticipate that it is going to.

What I am trying to say is we have no disagreement with the \$2 billion figure. We might have some disagreement as to the time frame.

Senator McGOVERN. I appreciate the competing budget pressures, but you don't deny that the figure you have requested, the Administration figure, at \$1.25 billion, really does little more than hold you at your present operating level. You brought it up to 5.9 million participation. You are not going to go much beyond that in the Administration figure you have requested for fiscal '71, are you?

Mr. LYNG. I mentioned that we will be taking New York, and I think the additional participants there are nearly a half million alone, in New York City. So we will have sufficient money in the budget for that.

I think we can project that this can go up to approaching 7 million within our appropriation.

The PRESIDING OFFICER (Mr. FANNING). The question is on agreeing to the amendment.

Mr. HOLLAND. Mr. President, it is not a very popular task to have to object, and object very vigorously, to the amendment offered by the distinguished Senator from South Dakota.

The fact is that the Senator from Louisiana and I have probably worked about as hard as anybody could work to

try to get the situation into a better picture prior to the time this appropriation bill came up. The Senate passed a food stamp bill last year. I have forgotten the date.

Mr. McGOVERN. In September.

Mr. HOLLAND. In September of last year, and it went to the other body. We mildly contacted the chairman and other members of the House Committee on Agriculture last year. We have contacted them more frequently and more vigorously this year. We have contacted the chairman of the Appropriations Committee on the House side. We have contacted many others we thought were having a portion of the responsibility in the other body of deciding what kind of food stamp legislation they would report.

The facts are simply these, Mr. President: For a long time, the Agriculture Committee in the other body announced a plan to hold together in one bill the new food stamp program and the new farm bill which is also in the making. A couple of months ago, as I remember the date—some little while ago—however, they decided that the two bills would be reported separately, and the statement was made to me by the able chairman of the House Agriculture Committee that the two bills would be reported separately, for which I was very thankful. I did not learn at that time which one would be reported first. Yesterday, or the day before yesterday, in contacting members of the committee, in the absence of the chairman, who was in Texas, I learned that it is their definite plan to report first the farm bill and later the food stamp bill.

Mr. President, we all know that hearings on the food stamp bill and the farm bill have been going on in the other body since last fall or earlier, and we all know the situation that exists over there, I think, more fully than I have been able to state it in these few words.

The fact remains that until we pass an authorization bill we are without authorization for 1971 in the food stamp field. The pleasant fact to report, however, is that the House placed in the bill the budget amount of \$1.250 billion with the understanding stated that it could not be effective until the authorization had been agreed upon and had become law in that amount or more. That, of course, would have to be the case because we could not pass a heavy appropriation of this kind in this field without an authorization.

When the Senate committee considered this matter, we were happy to see that the House had included this amount, subject to the passage of the authorization, and we included the same amount, which had been included by the House; and, of course, subject to the same condition, that an authorization would have to be passed.

We are in the fortunate position now of having in the Senate bill the identical amount that is already in the House bill and the identical amount that is in the budget, and that is a situation which we think may mean a great deal in the negotiations that go forward from here on out in conference and otherwise, but particularly in conference.

Mr. President, we feel that the situation is so good that if we had to do so a little later, we very likely would be able to follow the same course followed by the Senator from Louisiana last year, when there was no new authorization for 1970, at that time the Senator came in and got an emergency appropriation. He followed the same course when the supplemental bill was up a few weeks ago, and he stated very frankly to the Senate that we had no authorization for 1971, but he was requesting an appropriation of \$300 million to be available during the first 4 months in 1971. The House was good enough to accept that amount, and we are operating now on a hand-to-mouth basis with that \$300 million available for not to exceed 4 months. The understanding, as stated in that legislation, was that when an appropriation bill was passed for 1971, that amount, \$300 million, would be subtracted from the amount for food stamps in the appropriation bill for 1971.

We very much want to have undisturbed the good relation that now exists between the Appropriations Committee in the House and the Appropriations Committee in the Senate and which is in accord with the budgeted figures.

I must say that, in my opinion, based on many, many contacts in this field, if the course now indicated by the House, is followed and the food stamp bill is reported after the farm bill has been reported and passed in the House, the chances are that the conference on the food stamp bill will be the very last item of business within the last day or the last week of this session of Congress. I do not want that situation to exist, not only because of the food stamp situation, but also because there are many items in the pending bill which are very important and which are needed to be made available as quickly as we can do so; and I think they can be made available quickly, because there are few differences between the Senate and the House measures.

The principal item that occurs to me now is the item which we adopted this morning covering the supplemental request for an amended amount for the school lunch program for \$216,500,000. A goodly portion of that will be spent in the States in implementing the recently expanded child nutrition program. Some of that amount has to be available during the summer and, of course, before school starts in September. I would dislike very greatly to see this bill held up in conference because of any unwise action we took on this food stamp measure in such a way as to handicap the full operation of the new school lunch program, which we are all so interested in, and which we passed almost unanimously. That program requires this additional amount of \$216 million, some of which is in the bill under the amendments adopted today.

So, Mr. President, I realize there are few Senators in the Chamber at this moment to listen to the argument, but I want the record to show that regardless of the outcome we are warning the Senate that any action to raise the food stamp item substantially—and the \$500 million raise is certainly substantial—is apt to, and in my opinion almost certainly

will, bring about a long delay in conference because it will have to await passage of the authorization bill on food stamps which will itself require a heavy conference.

I shall have to serve on both conferences. I do not look forward with pleasure to either experience but I want the record to show, in the first instance, that we strongly object to this large increase in the food stamp item from \$1,250 million, the budgeted amount and the amount in the House bill, to \$1,750 million.

Mr. HRUSKA. Was there a comparable situation last year in connection with the same postponement on the food stamp bill and the consequent handicapping of the administrative features of the program?

Mr. HOLLAND. Indeed, such a situation did occur. Remember, we rushed through a \$750 million emergency appropriation, and we did not get it back from the House, and then we reduced the amount to \$610 million, and for a period of months, as the Senator will recall, it held us up on the agricultural conference.

Mr. HRUSKA. The bill was passed in full and did not become law until November as a result of that long delay.

Mr. HOLLAND. I foresee the same delay in this matter, except I think this is apt to be a much more serious delay because it involves so much more money and the question has become such a grave question between the philosophy that seems to prevail over in the other body and the philosophy which prevails in the Senate. I cannot see any answer, except that we would be exceedingly unwise to place in the bill this added one-half billion dollars for the food stamp program.

Now, Mr. President, the Senator from South Dakota has been frank in talking to me, and in talking to the Senator from Louisiana (Mr. ELLENDER), chairman of the agricultural legislative committee. We appreciate his frankness. Following his discussion with me, I called Mr. Lyng, Assistant Secretary in the Department of Agriculture, to get him to give us the benefit of his thinking on this matter. I also asked for a copy of his testimony which the Senator from South Dakota had told me he had given before a meeting of the Select Committee on Nutrition and Human Needs, which is chaired by the Senator from South Dakota.

I understand that the hearing was on June 19, a copy of which I hold in my hand, and was furnished me by Mr. Lyng as a copy of his testimony given at that time, which I shall be happy to make available to the Senator from South Dakota. I have no reason to suspect in any way that this is anything but an accurate copy of what was said by Mr. Lyng before the Senator's able select committee. The letter from Mr. Lyng to me was sent at the same time he sent one to the Senator from Louisiana (Mr. ELLENDER). The letters are almost identical. There is no contradiction between them. Apparently the Senator from Louisiana asked his question in a little different way and the replies are, therefore, slightly different, as will appear from the two letters.

I shall not at this time ask for the in-

troduction of the letter to the Senator from Louisiana into the RECORD because he is not in the Chamber and I take it he may wish to introduce it later.

The Senator from Louisiana (Mr. ELLENDER) is presiding now over a full meeting of the Appropriations Committee, less the Senator from Florida, and he is marking up one of the appropriation bills downstairs.

The letter which Mr. Lyng, Assistant Secretary of the Department of Agriculture, wrote to me reads as follows:

JULY 7, 1970.

Hon. SPESSARD L. HOLLAND,
U.S. Senate.

DEAR SENATOR HOLLAND: Thank you for your phone call this morning regarding the amount the Administration has requested for food stamp expenditures in the 1971 budget.

We have requested \$1,250,000,000 for the food stamp program in fiscal 1971. These funds will allow us to operate the program in the 1747 counties where it is presently operating, and in 307 counties or independent cities, including New York City that are now in the process of initiating a food stamp program or changing over from commodity distribution to food stamps. The \$312 million which we have requested for commodity distribution—

That is a separate appropriation in the bill, Mr. President. I continue to read—

will allow us to provide family food assistance in all those counties which have not requested the food stamp program.

At the present time, 5.9 million persons are participating in the food stamp program. An additional 4.1 million are taking part in the commodity distribution program. The total of 10 million individuals receiving family food assistance is far greater than the 7.9 million beneficiaries of the federally supported AFDC program and on a level with the total participation of 10.8 million in all federally assisted welfare programs. We anticipate that the funds requested for the food stamp program will allow us to increase participation in that program by the end of fiscal '71 to more than 7.5 million individuals, a substantial increase above present levels.

I repeat that sentence because it seems to me it makes it clearer than ever how unwise and unnecessary it will be greatly to enlarge the present amount for food stamps in the bill. That sentence reads:

We anticipate that the funds requested for the food stamp program will allow us to increase participation in that program by the end of Fiscal '71 to more than 7.5 million individuals, a substantial increase above present levels.

Continuing reading from the letter:

On June 18 of this year, we designated 77 counties that had applied to change from food stamps to commodity distribution for participation in the stamp program. This means that every county that had made an official request for the food stamp program as of June 12 of this year is now either operating such a program or gearing up to do so.

The Administration's request for food stamps in fiscal '71 represents a five fold expansion over the \$251 million that was spent on this program in fiscal '69, and a doubling of the fiscal '70 level. This \$1.250 billion request is a major part of the more than \$2.5 billion that the Administration has requested for programs to deal with hunger and malnutrition in the coming year. In addition to the large increase requested for the food stamp program more than \$900 million has been requested for child nutrition, a \$320

million increase over fiscal '70 funding. We are moving to expand both the food stamp and child nutrition programs to effectively utilize the increased funds that we have requested.

Sincerely,

RICHARD LYNG,
Assistant Secretary.

Now, Mr. President, I realize that people can be mistaken in their estimate of what they can do, but I think that this letter and the letter to the Senator from Louisiana, which I shall not place in the RECORD at this time or until he can come into the Chamber, make it quite clear that the administration thinks the \$1,250,000,000 will do the job for 1971.

Mr. President, it is true that mistakes may be made in that there may be a time when the amount we supply now will seem to be inadequate. All I am saying is that we do not even know what the amount to be authorized is going to be until an authorization bill is passed. It is quite possible that the authorization bill will be larger than \$1,250 million, in which case we will have plenty of latitude to go into a supplemental bill if it is needed. If it is not larger than \$1,250 million, we can always in that case follow the expeditious way followed by the Senator from Louisiana twice in the recent past. As I have already pointed out, we almost by unanimous consent met the needs in this field by the passage of emergency legislation which caused no trouble at all.

I think it would be a major mistake—and I speak from having sat in conferences on this subject and other subjects in the Committee on Agriculture and Forestry for about 18 years, I believe, or something like that—for us to put this amount in the bill. It is for that reason that I oppose it so strongly. I can foresee what I think is the most probable result that would follow. The full school lunch program increase would be held up until the conference report can be passed on the bill, which would be very unfortunate. The conference report may be the very last thing we ever get around to before we leave at the end of this Congress. I think that is very likely to be the case since the House committee has now announced that they are dividing the farm bill and the food stamp bill. They are reporting the farm bill first and the food stamp bill later, having in mind the strong feeling that exists on the part of some of our colleagues in the Senate and at the other end of the Capitol and the troubles that we have run into in the past in this field, as mentioned by the distinguished Senator from Nebraska.

I think the Senator from Nebraska almost understates the trouble that we had last year, because we were trying to get a conference for 3 or 4 months before we ever got a conference. And the conference could not be held until certain authorization had been passed.

I think we would make a very great mistake in putting this increase in the bill. I cannot state my position any more strongly than I have. I think it would be a complete mistake. I am pleading with my distinguished friend, the Senator from South Dakota, who I know has heartfelt interest in this program, along the line I have already stated.

I do not believe I have withheld anything from him, as I said earlier, except that I had not received the letter from Secretary Lyng when I discussed the matter with him.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. HRUSKA. Mr. President, in order to make this point clear, earlier today amendments were agreed to which resulted in additions of \$216 million to implement the new school lunch program.

Mr. HOLLAND. The Senator is correct. That was done without opposition. They were agreed to by unanimous vote of the Senate.

Mr. HRUSKA. It is very likely that the House will concur, in that the House also approved the substantive legislation which is the basis of that action.

Mr. HOLLAND. My feeling is that both Houses are rather proud of the substantial increases in the school lunch program passed recently by joint action of the two Houses and with the approval of the President.

Mr. HRUSKA. Mr. President, it is a dramatic improvement which I am confident will receive nationwide approval.

If no agricultural appropriation bill is approved into law sooner than was the case last year, which was the latter part of November, does that mean that this improved and expanded school lunch program will not go into effect in September?

Mr. HOLLAND. It certainly means that the various plans which will take place this summer cannot be completed. It certainly means that the actual beginning of the feeding part of the program cannot begin until a few weeks after the legislation has passed.

Mr. HRUSKA. Mr. President, if the experience of last year is repeated, that would mean after the first of January 1971.

Mr. HOLLAND. Mr. President, in my judgment it is quite possible that would be the result. I think it is more than possible. I think it is probable.

Mr. HRUSKA. Even a slight probability would certainly be a weighty factor in considering the several courses so that it would move forward and not prevent the programs from proceeding, either the food stamp, the commodity distribution, or the school lunch program.

Mr. HOLLAND. The Senator is correct. And the conclusion the Senator from Nebraska draws is exactly what I have been trying to say. He states it better than I did.

Mr. HRUSKA. Mr. President, I would consider it a very serious responsibility that anyone would undertake action which would result in that consequence.

Mr. HOLLAND. Mr. President, I cannot think that Senators would vote to take that action if they thought this would be the result, because they are too interested in the food stamp and the school lunch programs and the family assistance program. The food stamp program dovetails with the commodity program, although they are provided for by different appropriations. And the appropriations for the commodity program is not at issue here. There is no issue

between the two Houses. The amount is \$212 million.

I cannot believe that if Senators were here to hear the debate, there would be any very great division on this point.

I think that more Senators would feel that we should not take the chance of proceeding in this fashion. There would be a very great chance of defeating an early start on the standard school lunch program and defeating the authorization not only for 1971, but also for the following food stamp programs by putting this kind of provision in the bill.

I think I stated this to the Senator from South Dakota heretofore. The House repeatedly acted more vigorously than expected when it put the \$1.250 billion in the House agricultural appropriation bill. I am very grateful to them for having done so, considering the troubles we had last year and up to now this year.

I was greatly pleased and I think that my friend, the Senator from Nebraska, was greatly pleased that the item of \$1.250 billion for food stamps is in the bill.

Mr. HRUSKA. The Senator is correct. Our pleasure was, I think, of commensurable degree.

Mr. HOLLAND. Mr. President, as far as I am concerned, I will do everything in my power to get a quick authorization bill. However, we cannot move until the House passes an authorization bill. And they cannot move until a bill comes out of the committee.

All I know is that here is a subject that has been very argumentative in conferences heretofore and is apt to be so again. And here is a subject which will almost surely hold up the school lunch program and its very beneficial enlargement.

I do not want to be a party to it, and I will not be a party to it. But I do not want any other Senator to be a party to bringing about that result. That is why I am making these statements clearly so that everyone can hear them if he comes to the floor. Just as surely as we put this provision in here, in my judgment, we will delay the beneficial effects in an expanded school lunch program and, indeed, the funds in the bill. And we would delay effective authorization of a real food stamp program. We would delay any action on the agricultural appropriations bill.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. McGOVERN. Mr. President, I do not want to delay the matter. First, let me add my name to the list of Senators paying tribute to the long and dedicated service of the distinguished Senator from Florida. I have the greatest admiration and respect for my good friend from Florida. Does the Senator from Florida recognize the fact that even if we accept the House proposal of \$1.25 billion, that would have no relevance until the House authorizes an equal amount of money. In either case, whether \$1.25 billion or \$1.75 billion, we have to wait until the House authorizes it.

Mr. HOLLAND. The Senator is correct. However, he has not taken into consideration some of the factors that I want to

mention. The first factor is that the pending food stamp legislation is not only for 1971, but is also for a period of years.

Second, the pending food stamp legislation has many substantial changes in it. My feeling is, as I have already said, that the Senator from Louisiana, who has a peculiar influence in this field in both bodies, would have little difficulty if we get a conference report on the appropriation bill based on \$1.25 billion, and if we came to the end of the fiscal year and spent the \$300 million provided by the supplemental bill, in getting a temporary measure through, just as he was successful in doing last year and just as he was successful in doing when we were debating the supplemental bill. In both cases his actions were approved in the House. We had no trouble in the House. We should not rock the boat, but go ahead and get the conference report approved.

Mr. McGOVERN. Mr. President, the Senator's argument would carry more weight if the House voted any figure at all. Over there it could depend entirely on the authorizing process catching up with it.

Mr. HOLLAND. That is the case, but that is the case which existed last year. It will be remembered we rushed through a \$750 million emergency measure here. It was some time before they took it up. They passed it at \$610 million and the Senator from South Dakota was gracious enough to realize the personalities of the matter and accept that rather than \$750 million.

The Senator would have preferred the \$750 million just as he would now prefer the \$1.75 billion. I am not asking him to change his views on the modification of the ceiling for the new food stamp legislation. I am asking him to look at these practical facts as related by one who has been through these conferences for years, both on the agriculture appropriation and agriculture legislation providing for food stamps. My feeling is we are playing with fire if we put \$1.75 billion in this bill at this time.

I cannot desist from making that statement in being fair to the distinguished Senator.

Mr. McGOVERN. I appreciate that.

Mr. HOLLAND. I state that based on the possibilities. I would say they are more than possibilities. I think they are such strongly probable events that we can almost surely count on seeing them develop as we go along.

Mr. President, that concludes my original statement. If the Senator from Louisiana does not come in before we conclude, I will take the liberty to place in the RECORD the letter to him from Secretary Lyng.

Mr. HOLLINGS. Mr. President, I have listened very closely to our distinguished senior colleague from Florida. Only earlier this morning I joined in the colloquy in praise of the distinguished Senator because I find no one more logical and no one more assiduous in his duties both on the floor of the Senate and in committee. I have worked with the distinguished Senator on the Committee on Agriculture and Forestry.

We have a difference with respect to the problem of hunger. Mr. President, when you hear the Senator from Nebraska and the Senator from Florida using such expressions as "grave mission," "grievous error," "impossible to pass," "do not rock the boat, and all those other things, they belie one single fact, and that is the fact that we have a policy on a particular problem in America known as hunger.

We have debated here for 7 weeks about a policy on limiting the battlefield when there is a war, but no one—all the best people—ever suggested that we really should fight a \$5 billion war, a \$7 billion war, or a \$1 billion war, or a \$28 billion war which we are fighting. You just cannot measure the war in the action of the enemy, and the same is true with respect to hunger.

How, in the Lord's name, can we expect to say forthrightly we have a policy in this Government—the President has said so—with which we are confronting the problem of hunger? The Vice President and everyone comes forward and they say, "Yes, we are meeting the needs," and then they measure the needs, not by those who are hungry but by some legislative action on the other side of the Capitol.

My distinguished friend started off by saying he knew he was taking an unpopular position to oppose vigorously the proposed increase. I believe just the opposite. I know what is popular. Over in the House of Representatives they have 174 committees, I say to the Senator from Nebraska. They have 174 committees—ad hoc committees, special committees, subcommittees, study committees, staff committees, committees to find the Congressman from New York down in Bimini; they have all kinds of committees, but no Committee on Hunger, and those Representatives are pretty astute politicians.

If Representatives from the Senator's State or from my State thought for a second that the hunger cause in America was popular they long since would have formed a special committee, such as we have, headed by the Senator from South Dakota (Mr. McGovern).

It is not popular to go ahead. They say everything is impossible. You cannot get them to agree. The reason for its unpopularity is the failure to appreciate the problem because hunger is always identified politically. How can anyone really say how many people are in the hard-core hungry or in that middle area of suffering from malnutrition, totaling some 25 million? Habitually in Congress we have fallen into the income measure trap.

We go to the Department of Agriculture and they say for an economy diet the figure is \$3,720 a year for a family of four, and those below that figure are poverty stricken.

Nobody believes it because in many cases it is not true. The Select Committee on Nutrition and Human Needs places the figure up to \$4,500; the President's White House Conference has asked for a minimum income of \$5,500; someone else suggested \$6,500. The voters in Nebraska and in Florida are saying, "All

you people in Congress are doing is to develop two classes—taxpayers and tax eaters. We are not going to stand for it, and we oppose the food stamps." That is why it is unpopular.

Back in July 1967, when the Surgeon General came to testify in Congress, he said—and I am quoting from the best of my memory—"This great United States has studied malnutrition in over a dozen countries of the world, but never in America." According to the Surgeon General, "I cannot tell you how many are hungry in the United States."

So Congress then directed the Department of Health, Education, and Welfare to institute this study and under Dr. Arnold Schaeffer they launched the survey in 10 States.

Unfortunately, it is not conclusive yet, but in my State we have enough to talk facts. I have to talk facts when I oppose my distinguished friend, the Senator from Florida.

We found the political facts and figures heretofore rendered were on the minimal side. Let me digress just one second about the survey made by the Department of Public Health in my State of South Carolina looking specifically for those who would be eligible under the emergency feeding program where the poor are medically diagnosed as suffering from malnutrition. This program serves lactating and pregnant mothers and children under six.

In Beaufort County and Jasper County under this administration—with credit to Secretary Hardin—for the first time free food stamps were made available to the poorest of the poor.

Under the companion program—emergency feeding, operating in several counties, individuals came in and they were diagnosed by State health officer Dr. Kenneth Aycock; Dr. Parker Jones, of Beaufort, the county health officer; and other county health officers.

They found 1,700 children and 300 mothers, making a total of 2,000 people, who could be medically diagnosed as hungry.

Dr. Aycock is a conservative. His father is chairman of the South Carolina House Ways and Means Committee. He is not a "peacenik"; he is as conservative as any red-blooded American ever has been. Dr. Jones is also a conservative. Dr. Aycock asked all of my State's health officers for an estimate of how many persons were eligible for this program medically projecting and determining that 170,000 were hungry and needed food and were suffering from malnutrition. I then asked the good doctor to project that to include minors over 6. What about those over 6?

The distinguished Senator from Florida reached the idea that, somehow, the school lunch might be a help for them. Where are these hungry? Many do not even get to school. Of the 15 million who compose the hard-core hungry, half of them, 8 million, are children. Many do not get to school. They need food now, and they are not being fed.

Dr. Aycock projected his estimate to the other age groups and the elderly, both male and female, and found 300,000; that is, medically. That is not difficult to fathom when we realize that in the

1960 census 75,000 families in my home State had an income of less than \$1,000 a year. That is less than \$100 a month. They comprise some 413,472 people. That was in 1960. That is between one-fifth and one-sixth of all our families at that time.

There is the target. There is the measure. The measure is not the House. They cannot see them. They will not understand it. They will not go into their own backyards. Hunger is within a mile's circumference of anyone; I do not care where you go in America. It has been found officially in South Carolina by HEW, under the survey of Congress.

Mr. President, I shall limit my remarks, because other Senators want to speak, but I ask unanimous consent to have included in the RECORD a statement headed "Present Status of the South Carolina Nutrition Survey," by Dr. Malcolm U. Dantzer, assistant State health officer, State board of health, a comparison of biochemical test results to date in South Carolina with other State results by percentages in deficient, low, and acceptable categories, and other pertinent data, as well as an article which appeared in the Charlotte, N.C., Observer of July 2, 1970, written by James K. Batten.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PRESENT STATUS OF THE SOUTH CAROLINA NUTRITION SURVEY

The South Carolina Nutrition Survey is a part of a national survey of the incidence and location of serious hunger and malnutrition and health problems incident thereto which was directed by the Congress in December 1967. The national survey was begun in 10 States which were selected because of their representation of larger geographic areas, their mixture of rural and urban population, and their economic, ethnic, and socio-cultural patterns. Also considered were such factors as the concentration of migrant labor, infant and maternal mortality rates, and food distribution and welfare programs. The States selected were Louisiana, Texas, New York, Michigan, Kentucky, California, Washington, West Virginia, Massachusetts, and South Carolina.

In each State, a contract was made with the State Health Department and/or one or more medical schools to conduct the survey. I was responsible for the development and general supervision of the work in South Carolina for the State Board of Health.

Because there were not enough funds or manpower available to survey all population groups of the 10 States selected, it was decided to concentrate in the quarter of Census enumeration districts which had the lowest median income in 1960. Care was taken to insure that urban and rural areas were appropriately represented and then around a hundred Census enumeration districts were selected at random in each State for the survey. In each of the districts selected, a segment of about 75 houses were located on a sketch map by the survey staff. Then a trained interviewer visited every third house to explain the purpose of the survey, secure participation by the household members, fill out a preliminary questionnaire about the home and its inhabitants and invite the household members to come to a nearby center to complete the survey work in a day or two. Meanwhile another staff member made arrangements for use of a building, usually a school, convenient for the residents of the surveyed segment. We provided transportation to and from the center for those needing

it. We paid \$3.00 for each household member who completed the entire survey procedure in recompense for their time and trouble. This is another factor which weighted our sample on the low income side. Our field team found that fewer middle and upper income people were willing to give 90 minutes or more for the work at the center. Still another factor which added a bias to our findings was the requirement that no discrimination be permitted in the employment of our staff. I believe that racial prejudice was a factor in the refusal of some people to participate in the survey.

All in all, though, we did relatively well in citizen participation. We had 4,850 who completed the survey procedures out of a maximum potential of 9,200 people so we surveyed a little over 50% of those eligible. Participation in the 16 counties in which enumeration districts were selected for the survey ranged from 15 per district in Pickens to 89 per district in Lee County.

Another factor affecting the pure scientific accuracy of our survey is the change in the socio-economic characteristics of Census districts between 1960 and 1970. Some areas which were mostly inhabited by poor people in 1960 are now the home of people in better financial circumstances as a result of urban renewal and subdivision development during the past decade.

The techniques for the National Nutrition Survey in the United States were built on the results of similar studies which our government has sponsored in 33 undeveloped nations of the world. Assessment of the nutritional state of a large population is complicated because of the number of nutrients involved and the existence of subclinical deficiencies which are not readily recognized. The five avenues of approach used in our survey were medical, biochemical, dietary, dental and socio-economic.

The purpose of medical assessment in a nutrition survey is to detect recognizable physical signs and symptoms of deviation from health due to malnutrition. It included a medical history and examination by a doctor, anthropometric measurements, and wrist X-rays. The physical examination was designed to reveal outward signs providing clues to the individual's nutritional past. The medical history included diseases such as infections or parasitic infestations which influence absorption and metabolism of nutrients independent of dietary intake.

Biochemical measurements of the levels of nutrients in body tissues and fluids indicate current or recent nutritional status. Depletion of body stores of nutrients is the first downward step in the development of nutritional deficiency disease. As the deficiency progresses, functional impairment occurs and, finally, the physical changes characteristic of a clinically manifest deficiency disease appear. Biochemical measurements, therefore, enable us to identify people in dan-

ger of nutritional disease as well as those with frank malnutrition.

In our study, the levels of the following were determined in the blood: hemoglobin, hematocrit, total protein, albumin, Vitamin A, carotene, Vitamin C, folic acid, iron and iron binding capacity; and, in the urine, we tested for glucose, protein, creatinine, thiamine, riboflavin, urea nitrogen and iodine.

All of these tests have not yet been completed. However, our preliminary findings are favorable compared to available findings from other States. The following figures compare the percentage found below acceptable levels in the overall preliminary data from Texas and South Carolina, grouped without regard to age, sex, or other characteristics:

	Texas	South Carolina
Hemoglobin.....	8	10
Hematocrit.....	22	11
Plasma carotene.....	1	0
Plasma vitamin A.....	18	8
Serum vitamin C.....	12	5
Total serum protein.....	16	1
Total serum albumin.....	19	1
Urinary thiamine.....	9	1
Urinary riboflavin.....	19	7

I don't know how the food enrichment laws of Texas compare with those of South Carolina. However, anyone who has traveled in West Texas could easily imagine that variations in agricultural productivity might well be a factor in the more favorable nutrition status of the poor in South Carolina.

When our data is further analyzed it will undoubtedly reveal higher deficiency percentages in the more susceptible population groups than the overall averages just quoted.

In the dietary assessment, our team obtained data on levels of nutrient intake, source of nutrients, food habits, preparation practices, and attitudes about food. These facts will be highly significant in interpretation of our medical and biochemical findings. They will also be basic to planning dietary changes and modifying or initiating new programs which influence food habits and consumption. The solution to problems uncovered by medical and biochemical assessments demands knowledge of the eating habits and the available foods in an area, as well as the people's purchasing power.

The dental exam included an evaluation of dental health and the condition of periodontal tissues. While all dental pathology is not caused by inadequate nutrition, it is often closely associated with diet. Caries may be associated with a low fluoride intake and spongy, bleeding gums with vitamin C deficiency. Inability to bite and chew due to decayed or missing teeth leads to selection of soft and easily swallowed foods which often are deficient in some essential nutrients. Periodontal disease is seriously aggravated by poor nutrition.

Socio-economic data collected by the field team included economic status of those examined, ethnic background, the interest in nutrition by local authorities, educational opportunities, kinds of food available and the food distribution programs in effect.

All in all, our survey team recorded approximately 200 items of information about each family and about 300 additional items about each individual participating in the survey. As we saw 4,800 people in 1,100 households this adds up to some 1,660,000 facts. In addition, we have 50 to 100 supplementary items pertaining to special groups subject to nutritional risk such as children under 3, adolescents, pregnant and lactating women, and the aging over 60 years old.

Our field survey work began last October and was completed on March 24. We are now in the process of coding and editing the data and placing it on punch cards. Our contract with the Federal Government provides for us to deliver a complete set of edited punch cards. We are relying on the Federal agency for computer analysis and interpretation of this data. We hope to end up with a second set of punch cards from which we can extract supplementary information.

Our survey staff has consisted of a small administrative group and a central laboratory unit in Columbia and the field unit which visited the 101 enumeration districts selected in 16 counties. Since the examination centers were usually in schools, their clinic work usually began about 3:30 P.M. and at times lasted as long as 2 A.M. The field team included around 28 persons.

When I first learned about the plans for this survey, I felt it was an impossible job because I didn't think it was possible to find qualified people who would accept temporary work for six months traveling all over the State and working long and unusual hours. I am pleased to have with me today two key people who were very instrumental in making the survey possible—Dr. Harry Ridgley who was Field Director and Miss Eleanor Moore who was Director of the Dietary Interviewers. Both Dr. Ridgley and Miss Moore have had survey experience in other States as did a number of our field team. This is one of several ways in which we have benefitted by being the last of the 10 States to complete the field work.

I regret that the complete findings of the South Carolina Nutrition Survey are not available at this time. However, I hope that this summary of the who, what, when, where, how, and why of the survey will be helpful background for your understanding when the final survey results are presented to you.

Presented to: South Carolina Dietetic Association.

By: Malcolm U. Dantzler, M.D., Assistant State Health Officer, State Board of Health, April 3, 1970.

COMPARISON OF BIOCHEMICAL TEST RESULTS TO DATE IN SOUTH CAROLINA WITH TEXAS RESULTS BY PERCENTAGES IN DEFICIENT, LOW, AND ACCEPTABLE CATEGORIES

	Deficient		Low		Acceptable	
	South Carolina	Texas	South Carolina	Texas	South Carolina	Texas
Hemoglobin.....	9	3	31	5	60	92
Hematocrit.....	7	4	35	18	58	78
Serum protein.....	0	7	2	9	98	84
Serum albumin.....	1	3	11	16	88	81
Vitamin C.....	1	4	3	8	96	88

	Deficient		Low		Acceptable	
	South Carolina	Texas	South Carolina	Texas	South Carolina	Texas
Riboflavin.....	6	6	21	13	73	81
Thiamine.....	2	1	8	8	90	91
Vitamin A.....	8	2	24	16	68	82
Carotene.....	0	0	3	1	97	99
Average (percent)....	4	3	15	10	81	87

COMPARISON OF PERCENTAGE OF TEST RESULTS LESS THAN ACCEPTABLE STANDARDS

	South Carolina 1970	Texas 1968	Montana 1961	Guata- mala 1965	Honduras 1966	Costa Rica 1966	Panama 1967		South Carolina 1970	Texas 1968	Montana 1961	Guata- mala 1965	Honduras 1966	Costa Rica 1966	Panama 1967
Hemoglobin.....	40	8	9	3	5	4	5	Thiamine.....	10	9	7	25	11	49	48
Carotene.....	3	1	4					Riboflavin.....	27	19	16	33	11	4	24
Vitamin A.....	32	18	62	11	22	17	6	Average							
Vitamin C.....	4	12	1	4	2	2	6	(per-							
Serum protein....	2	16	2		10	8	7	cent)....	+16	13	13	15	10	14	16
Serum albumin....	12	19	3												

Source: South Carolina State Board of Health, April 10, 1970.

LABORATORY TEST RESULTS OF BLOOD AND URINE SAMPLES FROM 10 COUNTIES SURVEYED IN THE SOUTH CAROLINA NUTRITION SURVEY 1969-70

Type of test	Number of samples	Deficient		Low		Total not acceptable		Type of test	Number of samples	Deficient		Low		Total not acceptable	
		Num- ber	Per- cent	Num- ber	Per- cent	Num- ber	Per- cent			Num- ber	Per- cent	Num- ber	Per- cent	Num- ber	Per- cent
Hemoglobin.....	2,120	185	8.7	663	31.3	848	40.0	Riboflavin.....	1,251	72	5.7	268	21.4	240	27.1
Hematocrit.....	2,304	153	6.6	817	35.4	970	42.0	Thiamine.....	661	12	1.8	51	7.7	63	9.5
Serum protein....	1,201	2	.16	26	2.1	28	2.26	Vitamin A.....	1,348	106	7.8	323	24.0	429	31.8
Serum albumin....	1,201	12	1.0	126	10.5	138	11.5	Plasma carotene.....	1,350	1	.07	38	2.8	39	2.87
Vitamin C.....	1,141	13	1.1	29	2.5	42	3.6								

PERCENT ACCEPTABLE LABORATORY TEST RESULTS OF BLOOD AND URINE SAMPLES FROM 10 COUNTIES SURVEYED IN THE SOUTH CAROLINA NUTRITION SURVEY, 1969-70

County	HBG.	HCT.	Serum protein	Serum albumin	Vitamin C	Riboflavin	Thiamine	Vitamin A	B Carotene
Chester.....	78	60	98	88	93	82	84	75	95
Lancaster.....	67	55	100	67	100	93	93	78	100
Pickens.....	82	67	100	88	88	100	100	100	100
Greenville.....	81	74	96	72	93	77	87	80	95
Spartanburg.....	71	60	93	76	100	80	94	69	96
Lee.....	45	54	100	86	98	63	89	72	95
Florence.....	56	60	100	96	91	70	92	72	98
Williamsburg.....	52	50	95	84	97	74		63	96
Georgetown.....	59	59	100	97	99	69		65	99
Aiken.....	74	64	96	96	96	82		61	99

SUMMARY: PERCENTAGE UNACCEPTABLE BIOCHEMICAL VALUES¹

	States							States					
	New York	Michigan	Kentucky	Texas	Louisiana	South Carolina		New York	Michigan	Kentucky	Texas	Louisiana	South Carolina
Hemoglobin.....	10.0	19.0	16	20	41	37.6	Riboflavin.....	3.6	13.0	9	21	16	27.6
Hemocrit.....	18.0	26.0	21	24	28	42.0	Thiamine.....	3.5	6.0	6	10	10	7.8
Vitamin A.....	4.0	22.0	24	41	15	33.9	Serum albumin.....	4.0	4.0	3	16		7.9
Vitamin C.....	3.0	.4	8	12	14	2.5							

¹ Preliminary except Texas and Louisiana.

NUMBER OF PARTICIPANTS BY COUNTY—SOUTH CAROLINA NUTRITION SURVEY, 1969-70

County	Number of enumeration district's surveyed	Number of participants
Chester.....	4	128
Lancaster.....	2	77
Pickens.....	1	21
Greenville.....	5	138
Spartanburg.....	7	276
Lee.....	6	539
Florence.....	9	433
Williamsburg.....	9	460
Georgetown.....	6	426
Charleston.....	13	550
Aiken.....	7	251
Bamberg.....	4	183
Calhoun.....	4	220
Colleton.....	7	387
Beaufort.....	5	394
Richland.....	10	312
Total.....	99	4,795

[From the Charlotte (N.C.) Observer,
July 2, 1970]FEDERAL STUDY—"ALARMING" MALNUTRITION
REPORTED AMONG S.C. POOR
(By James K. Batten)

WASHINGTON.—Federal nutritionists, in a landmark study still under tight wraps, have documented for the first time the prevalence

of serious and widespread malnutrition in South Carolina.

Of the 4,900 persons examined—a sample said to be heavily weighted with low-income Negroes—38 per cent were anemic enough to need medical attention. And 34 per cent had serious Vitamin A deficiencies.

"The situation in South Carolina is alarming," declared one federal scientist who is familiar with the still-confidential findings.

The study, now in the final stages of tabulation and analysis, was part of the 10-state National Nutrition Survey, authorized by Congress in 1967 to determine the dimensions of malnutrition in the United States.

So far, the Department of Health, Education and Welfare has publicly disclosed the results from only two states—Louisiana and Texas. Data from the other eight will be made public in the next few months.

Anti-hunger forces in Congress and HEW have hoped that the survey's results would dramatize the nation's malnutrition problem in a scientific and indisputable manner, silencing skeptics who insist that the problem is not really serious.

The other states included in the survey are Michigan, Kentucky, New York, West Virginia, Washington, California and Massachusetts.

Information obtained by Knight Newspapers indicates that malnutrition in South

Carolina is among the most serious in any of the 10 states.

One HEW official, recalling similar U.S.-sponsored nutrition surveys in underdeveloped countries, declared this week that the recent findings in South Carolina are "very similar to what we found in Central America."

In South Carolina, Dr. Malcolm Dantzler, the assistant state health officer and project director for his state's portion of the survey, said Wednesday that he had received no official tabulations from Washington.

But when told of the federal findings, Dantzler said he was not surprised.

"It's an indication that action needs to be taken," he declared. "This is something that should be remedied in a civilized world."

In each of the 10 states, families were chosen at random within the poorest 25 per cent of the states' census enumeration districts.

But in South Carolina, Dantzler said he doubted that random selection was achieved—primarily because many whites refused to cooperate with the well-integrated nutrition survey team.

"Our results," Dantzler insisted, "are only representative of the poor, non-white population of the state."

In Washington, HEW officials have confirmed that the presence of Negro staffers on

the survey team generated local white opposition to the project in some communities.

In one unidentified county, a white sheriff raised questions when he saw a Negro staff member entering the home of a white family. The sheriff later maintained that he had not been informed of the survey.

The survey included Beaufort County, a coastal area whose hunger problems have attracted national attention, plus Columbia, Florence, Charleston, Greenville and Walterboro.

The most stark indicator of malnutrition disclosed by the S.C. survey was widespread anemia. Preliminary results showed that 38 per cent of those surveyed had hemoglobin (red blood cell) levels in the "unacceptable range."

Of the six states for which preliminary results were obtained, South Carolina's per cent was exceeded only by Louisiana, which had 41 per cent deficient hemoglobin among those surveyed.

By contrast, Texas had 20 per cent, Michigan 19 per cent, Kentucky 16 per cent and New York only 10 per cent.

South Carolina's data also showed unusually high rates of vitamin A deficiency, with 34 per cent. Only Texas—with 41 per cent—had a higher rate among the six states.

About 28 per cent of South Carolina's sample had unacceptable riboflavin levels, the highest in any of the six states.

Mr. HOLLINGS. Mr. President, the study referred to in the Charlotte Observer was not a casual survey, but a detailed survey of 4,900 persons in 16 different counties.

So, for the first time, intelligently, on the floor of the U.S. Senate, and in a legislative body, we show hunger, which is not depicted on a TV screen by politicians who like to estimate numbers at political rallies or at parades or otherwise, but on the basis or the foundation of medical hunger on the part of 38 per cent of those 4,900, who were suffering anemia in South Carolina.

There are the facts. That is how we measure how much to appropriate.

Mr. President, do you build Rome in 1 day? Obviously not. Do you solve the hunger problem in one fell swoop or in one appropriation? Obviously not. But what does the Senator from South Dakota ask for? He says a year ago we were feeding 6 million with food stamps and commodities, or 25 percent of the 25 million poor. At the present time we are feeding about 40 percent, or 10 million.

Under his minimal increase—not impossible, not disastrous, or otherwise—but, rather, \$1.750 billion, we would be feeding 48 percent, or approximately 12 million.

The administration comes in and, in one breath, says "fiscally impossible," but then it submits, in the next breath, \$4 billion for family welfare assistance, guaranteed family income, or whatever you want to call it, but it amounts to \$4 billion.

What we are trying to deal with is the beginning point of the poverty cycle—hunger in America.

It was practically put on the back burner had it not been for the Senator from South Dakota and his distinguished committee.

Mr. President, I have many other remarks I could make, but I think it would be disastrous not to support this increase. I vigorously support it.

Dr. Lyng says at the present time we are feeding 5 to 9 million with stamps and \$1.250 billion would allow expansion of the food stamp program. We would jump from January of last year—and we are talking now in July, an 18-month period—from 100,000 to over 200,000 in the State of South Carolina alone. We have doubled it. As the Senator from Massachusetts knows, only 30 percent of those eligible are participating; 70 percent are still not participating. That is how to measure the appropriation. Do not measure it by what a legislative committee, which is on the other side, says is impossible. We heard that argument and voted on the Cooper-Church amendment. We do not use that measure in the Senate, the most deliberative body in the world. We look at the need, the problem, in this case medically indicated, and we begin to attack and approach this problem, which in the end is the most economic way.

If one has been on the executive level and has seen adult care at the hospitals, at the State penitentiaries, at the other institutions, he sees some of the results of not feeding children. Do not be persuaded by the argument that providing food for people is going to result in indolent and apathetic children and adults and that it is un-American. We know that the cost of keeping the same persons in penitentiaries is \$10 a day. It is much more economical to feed people than to jail them. We find we have to bring in the truant officer and the psychologist and the job trainer and the jailer and the policeman. All the mechanizations described are at high prices and high cost. But let us get down to those medically proven to be in need of food in the United States of America. We have the legislative equipment to do it.

I strongly urge the adoption of the Senator's amendment.

SENATOR BROOKE URGES INCREASE IN FUNDING FOR FOOD STAMPS

Mr. BROOKE. Mr. President, poverty can be defined in many ways. It means crowded, inadequate, and often unsanitary housing conditions. It means lack of heat and hot water. It means just one pair of shoes and a thin coat in the winter. It means, sometimes, poverty of the spirit—no books, no time for travel, no change to appreciate the wondrous creations of art and music and nature. But perhaps most basic of all, particularly to the children of the poor, poverty can mean hunger.

For a child whose parents are poor, poverty can mean no milk or fresh fruit and vegetables; it can mean no meat on the table. For these youngsters, poverty appears most plainly in the single piece of bread, spread with gravy or sugar, that is breakfast or lunch or dinner—or sometimes all three. This unbalanced diet can be translated, cruelly and irrevocably, into a lifetime of poor health, into mental deficiencies, into an inability to concentrate on classroom teaching or on a job. And it can be passed on to future generations who inherit structural and mental disorders directly

related to the dietary deficiencies of their mothers.

For statistical purposes, poverty has been defined as an annual income of \$3,553 or less for a family of four in 1968. Regionally, of course, the real poverty level varies considerably: a family of four on an Arkansas farm might live more comfortably on \$600 in cash income per year than a similar family in Chicago that earned \$6,000 per year. But taking the dollar level established as most reasonable by the Social Security Administration, 25.4 million Americans are poor.

In 1939, the Congress established the first food stamp program designed to expand the purchasing power of low income families, and not incidentally to expand the market for farm products. Today, according to the administration's own estimate, the Federal Government provides food assistance to 10 million Americans. This still leaves 15.4 million Americans, who are officially classified as poor, untouched by the food distribution programs.

The Nixon administration has made great strides in expanding the food distribution programs. Approximately 330 new counties have been included in the food stamp program, and an effort is being made to expand distribution to all counties where the need exists. In addition, under President Nixon's leadership, free food stamps have been made available for the first time to those in the very lowest income brackets, and at reduced prices for other needy families.

Mr. President, last year the Senate authorized \$2 billion to be spent on the food distribution program in fiscal 1971. The House has yet to act on this authorization, and consequently we are already operating the program on the basis of a continuing provision contained in the last supplemental appropriations bill. But this should not deter us from acting in a way that will demonstrate our clear and urgent concern that the program be expanded to meet existing needs.

According to the U.S. Department of Agriculture, at least 14 million persons are in need of immediate food aid. And Under Secretary of Agriculture Richard Lyng testified just last month that they anticipated some very real problems in the coming fiscal year because the present level of appropriations is insufficient to meet demand.

The budget request for fiscal 1971 was for \$1.25 billion. In view of the fact that the program is presently costing \$100 million per month, it is easy to see that the full \$1.25 billion could easily be consumed in 1971 with no room for expansion at all. In fact, if one takes into account the impact of inflation, it is even conceivable that we could feed fewer people for \$1.25 billion in fiscal 1971 than are presently being accommodated under the program.

We cannot afford to freeze the program at such a level when there is such clear need for expansion. Secretary Lyng himself has said, in regard to expanding the food stamp program:

It is beginning to be very apparent to us that counties which may want to switch to

food stamps will have to be denied because this appropriation figure will be insufficient.

In my own State of Massachusetts, the need for expansion is critical. Many communities are presently scheduled for new programs. Several Massachusetts communities where the need is clearly evident have not yet applied for funds. And even in those communities where food stamp programs are presently in operation, administration of the programs is often just getting underway, and many more families need to be brought into the process.

For all of these reasons, Mr. President, I believe that the figure of \$1.25 billion requested by the administration and recommended by the Appropriations Committee is too low to meet present needs.

President Nixon, speaking just a little over a year ago in announcing an expanded antihunger campaign, stated as the goal of his administration that all poor families should be provided with enough food stamps, at prices they could afford, to purchase a nutritionally complete diet. He envisioned expanding the food distribution program to all counties in the Nation. And in order to accomplish this goal, he conceived of an expenditure in fiscal 1971 of \$2.5 billion for all food distribution programs to the poor.

Mr. President, I believe that these are worthy goals. And I believe that they can only be achieved if we commit ourselves to spending what is necessary to relieve our fellow citizens of the crushing burden of hunger. As the President has said:

Something very like the honor of American democracy is at issue—America has come to the aid of one starving people after another. But the moment is at hand to put an end to hunger in America itself for all time.

The pending amendment would increase expenditures for food stamps from \$1.25 billion to \$1.75 billion. It is a step in the right direction which, I believe, is in the deepest interest of our Nation and all our people. I urge its overwhelming adoption.

Mr. President, I wish to commend the distinguished Senator from South Carolina (Mr. HOLLINGS) for his most eloquent and persuasive argument in defense of expansion of the food stamp program.

I have great respect for the distinguished Senator from Florida (Mr. HOLLAND) and the distinguished Senator from Nebraska (Mr. HRUSKA), and I know they have done a great deal to promote the progress of the food stamp program in this country. I commend the President and others who have reduced the cost of food stamps.

I think the best estimates are that there are 25.4 million people in the poverty category. The distinguished Senator has eloquently said that the U.S. Government is providing food now for 10 million people. That still leaves 15.4 million people who are not getting the benefits of the food stamp or food assistance program.

As in the State of South Carolina, so also in my State of Massachusetts, many more communities are finding a need for the food stamp program.

I want to commend the distinguished

Senator from South Dakota, for he had the original intent that the program be expanded to \$2 billion. I think it has been well stated in testimony that the \$2 billion could be adequately used and still we could not achieve our goal.

When we consider the fact that we have inflation and the fact that the present program is costing \$100 million a month, actually, would not be able to expand the program at all with the \$1.250 billion. We might be getting less for this program, because of inflation, in fiscal 1971.

If we are able to adopt this amendment in the Senate and show some momentum in this program. The conferees will go into conference asking for \$1.750 billion and be able to get some agreement.

The program ought to be going forward; there is no question about that. People are starving in this Nation. We are sending food to foreign countries, trying to feed foreign people, saying, "Well, we ought to send some food to Biafra."

That is good; we should send some food to Biafra.

They say, "We ought to send food to Latin America."

That is good; we ought to send some food to Latin America. But I think we also ought to send some food to the United States of America, where people are starving today—in South Carolina, in Massachusetts, in South Dakota, and in Florida as well.

So I think this is one of the most important programs we have going for us in this country. I cannot see that it would be conscionable for us to go into a conference with anything less than \$1.75 billion.

Again I commend the distinguished Senator from South Dakota for realizing the urgency. I think he is sympathetic to the problems of the distinguished Senator from Florida and the distinguished Senator from Nebraska, who have this problem in conference. We all know what the problems are. We know we have to economize. But we say this is not the place to economize. We must move forward in this food stamp program, and I urge my colleagues to overwhelmingly adopt the amendment.

Mr. HRUSKA. Mr. President, I believe we all ought to realize that this is not a debate, not a contest, between a certain number of individuals who want to eliminate hunger and some others who oppose efforts to eliminate hunger. This is not a contest between someone who feels that there should be more money available for the purpose of doing that task and those who believe in economizing.

I know of no one who is more enthusiastic and more devoted and dedicated to the proposition of the declared objective of removing hunger from the list of ills which afflict America than the Senator from Florida, the Senator from Louisiana, or, as a matter of fact, the Senator from Nebraska. All of us want to make progress in this battle against hunger. As a matter of fact I think it could be cause for a little resentment, if there is any implication or any suggestion that there are those who, for the sake

of economy, want to deny either food stamps or distribution of commodities to those who are hungry, if it could be done.

The course advocated by those who seek to raise this appropriation to \$1.75 billion would likely hinder and delay the very efforts they seek to advocate, namely, to get this program into high gear, get it going, and get it moving. On the other hand, the course of the Senators from Louisiana, Mississippi, and Nebraska in the Appropriations Committee will result in a certain and early implementation of this program. There is no question about that.

If we follow the Appropriations Committee recommendations, this action will occur yet this summer, Mr. President—not in December and not in January, as it did last year, but this summer, and very likely next month, if things go according to the schedule which has been outlined by the Senator from Florida. I hope we will not make the mistake we made last year. Mr. President, the agricultural appropriation bill became law in the latter part of November—I believe right after Thanksgiving, if I remember correctly. On December 2 of last year, which would be within a week or certainly not more than 8 or 9 days after the enactment of the law, there was announced from the Department of Agriculture the general outline of the modifications of the food stamp program, which was more than doubled by the amount of \$610 million that was approved in that law.

On December 18, Secretary Hardin detailed the two major features: First, to give more stamps to recipients; and second, to lower the requirements for participation. The program was expanded.

Mr. President, had there been, last summer, a following of the very procedure which the Senator from Florida outlined so clearly earlier today, those actions to expand and to improve the food stamp program would not have been taken in December of last year; they would have occurred as early as August. Speaking of those who favor the alleviation and the elimination of hunger—who are they? They are those who insist upon closing their eyes to parliamentary hand-icaps which are as real as life, or those who say, "Well, let us double the amount, and prove to the world that we are for eliminating hunger".

It seems to me we ought to be realistic. It seems to me that even if the course indicated by the Appropriations Committee is followed, if there be such an expenditure of funds that the funds appropriated herein will be inadequate to do the job which has been outlined, and if the authorization bill for the food stamp program be sufficiently large, recourse to the supplemental appropriation bill can always be had. Meantime we are going to gain 3 or 4 months. In my book that is a long, long time when you are dealing with the pangs of hunger in the type of situation described so well by the Senator from South Carolina.

Now, then, what is the situation with reference to what we will be able to do with this \$1.25 billion which can go into effect soon?

A careful review of the food stamp pro-

gram clearly indicates that the budget request of \$1.25 billion is adequate to support and enlarge the program in 1971. The Department of Agriculture has informed me that all requests for the program that were on file on June 12 have been honored. Thus the program is expanding in line with the States' eagerness to expand it. And because sources within the State must finance local operating costs, the program cannot expand any faster than the States request expansion.

The 1971 budget request already has provided for a major geographic expansion of the program. In the early months of fiscal 1971, some 300 new areas will be entering the program, including New York City. Additionally, under the liberalized program, even higher rates of participation will be achieved in 1971 compared with 1970.

The important part to remember is that all of this expansion can be funded under the budget request of \$1.25 billion. That amount is over four times the amount spent in 1969, Mr. President. It is more than double the amount authorized for the fiscal year that ended last June 30.

The food programs of the department are on the move, and they do reflect President Nixon's commitment to eliminate hunger for all time in America, and the dedicated leadership of the Secretary of Agriculture, Mr. Hardin, certainly indicates that.

The whole Senate has supported this effort in both the family feeding and the child nutrition programs. I concur that we should not and we cannot take any action that would slow down further progress on the food front. But I emphasize again, an appropriation of \$1.25 billion for food stamps will support a substantially larger program in 1971. By fall, food stamp programs will be operating in over 2,000 areas in the country. This is an increase of some 300 areas from the 1,747 in operation on June 30.

More people will be participating in the 1,747 operating areas. Since the program was liberalized in December of last year, participation in operating areas has increased by over 60 percent, and new families are joining the program every week.

Current funding levels have permitted the Department of Agriculture to keep pace with demands for the program. Over 10 million people in needy families are now receiving food assistance under food stamps or commodity distribution. The local officials elect which of the two programs best meet their needs, and this is as it should be. We cannot force a stamp program on a State or an area. In funding the stamp program, therefore, we have to take this into account.

There are many demands upon Congress for funding a wide variety of domestic programs. We will do the Nation's needy a disservice if we overappropriate for one food program at the expense of equally critically programs to meet some of their other needs.

That is why I urge the approval of this budget request of 1.25 billion. It is double the amount for 1970, and it is adequate to meet the amount in 1971.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. BYRD of West Virginia. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. HRUSKA. Reference has been made to the statement by Mr. Lyng in testimony before a committee of Congress, in which he is reported to have said:

The acceptance of the food stamp program has been such that we may have some very real problems in the coming fiscal year 1971. It is beginning to be very apparent to us that counties which may want to switch to food stamps will have to be denied because this appropriation figure will be insufficient.

Mr. President, I do not know in what context this testimony was given. I do not know what context there is in connection with that testimony. But even on the basis of that statement, I repeat this proposition, which I believe is sound: If an effort will be made to substantially increase that figure, we can well contemplate the high likelihood of a delay of anywhere from 3 to 4 months, and it may well be 5 months, before we get to the point of having money available under that increased food stamp. That is not a pleasant prospect to face.

Let us take the alternative. Suppose we do run short, as suggested by Mr. Lyng. Suppose the time does come that we are going to meet the difficulty to which he refers as a possibility. The recourse is available to us of coming before Congress with a supplemental appropriation, and we can go forward without dropping a stitch, without missing a beat.

It seems to me that ordinary common-sense would lead us to take the course of action that is prudent, that is certain, that will enable us to go ahead without the delay and without the continuing pangs of hunger that these hungry people are going to have, just because there are some who seek a big amount which will not be available for several months, as opposed to a more modest and prudent approach to the problem, as has been carefully designed and deliberately chosen by the Appropriations Committee who are well acquainted with the parliamentary and the political practicalities of the situation. I see no reason to apologize for it. This is a political world. This is an arrangement whereby we proceed under rules and under the minds, judgments, and decisions of a composite of men, not one person or even a few persons. When we find that to be the fact, we ought to be guided by it.

I close with this note: This is not a contest between a group of people who want to eliminate hunger and those who do not want to eliminate hunger. Certainly, those from the Appropriations Committee cannot be considered in any event in a group who are not devoted as assiduously and as diligently and in as dedicated a fashion to eliminate hunger as anyone else.

It is my hope that the pending amendment will be rejected.

Mr. DOLE. Mr. President, let me associate myself with the remarks just made by the distinguished Senator from

Nebraska. We are all aware of the politics of hunger and know which side is the popular one.

I emphasize what has been said by the Senator from Nebraska. This is not a contest of those who on one hand wish to prolong the problems we have in America with reference to malnutrition as opposed to those who want to do more.

Let me say, in a very positive way, that we have made great strides in the malnutrition program in the last few years. For example, in fiscal 1969, the total expenditures for the food stamp program, the commodity program, child nutrition, and other food programs was approximately \$1.2 billion. In fiscal 1970, that was increased to about \$1.6 billion, and budget requests for fiscal 1971 are about \$2.5 billion. So it indicates the tremendous increase under the positive leadership of Secretary of Agriculture Hardin and President Nixon.

In December 1969, Secretary Hardin announced a liberalization of the food stamp program—designed to reach more people with more help. These changes were placed into effect by cooperating State welfare agencies as rapidly as possible.

I would guess that the only way we could describe the changes that have been brought about is by the use of the word "dramatic," because this is the only word that adequately describes the results. By May of this year participation in food stamps had increased by 62 percent over participation in December; the total amount of additional food purchasing power—the value of bonus coupons—was up 251 percent over December; the per person amount of assistance was up 114 percent over December.

The food stamp program was operating in 1,747 areas of the country on June 30, and another some 300 areas were planning to open programs, including New York City. Thus, there will be a significant geographic expansion of the program this fiscal year with the appropriation of \$1.25 billion.

The budget request of \$1¼ billion, therefore, is sufficient to fund the current program and to permit substantial geographic expansion. It may well be possible to extend the program to even more than 300 areas later on in the year. But, even now, the budget request will allow for the largest annual expansion of the program since the Food Stamp Act was passed in 1964.

I believe that the \$1¼ billion is adequate to meet expansion needs. I am informed by the Department of Agriculture that, as of June 16, there were no requests—not a single request—for the program that had not been honored.

So it is not a case of applications piling up in the USDA and no money to process the applications or to meet those requests. In other words, the Department of Agriculture has been able to keep pace with requests for the program under its current funding plans for 1971.

Where local officials have elected to help needy families under the commodity distribution program, equal stress is being placed on program improvements by USDA. A total of some 20 high-quality foods are available; Federal funds are

available to help States and localities provide better services to the participating families; and food quality is being enhanced by enrichment and fortification.

In May, a total of 10 million people in needy families received food assistance as a result of food stamps or commodity donations.

Food programs are on the move, thanks to men such as the distinguished Senator from Florida (Mr. HOLLAND); the distinguished Senator from Louisiana (Mr. ELLENDER), who was perhaps the father of this program; the distinguished Senator from South Dakota (Mr. McGOVERN), the chairman of the Select Committee on Nutrition and Human Needs; the distinguished senior Senator from New York (Mr. JAVITS), and many others who have insisted that we move ahead with reference to food programs. So food programs are on the move; and at a funding of \$1.25 billion, over four times the amount will be spent in fiscal 1971 as was spent in fiscal 1969.

Concluding on a positive note, I believe that we have made great progress. We have made this progress because of the positive leadership in Congress and the positive leadership in the executive branch through Secretary Hardin and President Nixon. So I say that, notwithstanding the difficulties that might be encountered because of something that could happen in the other body, we can fund the program with a \$1.250 billion appropriation. If necessary, as pointed out by the Senators from Florida and Nebraska, we can always have a supplemental appropriation later this year. But that the \$1.250 billion is adequate now.

Let me say again, that this is double the request of last year. In fiscal 1970, the amount appropriated for food stamps was \$610 million. This year, the amount appropriated by the Appropriations Committee is \$1.250 billion. This does mean expansion. This does mean that the food stamp program is on the move. It does not mean that the Appropriations Committee or those who support the Appropriations Committee for one moment want one person in America to go without adequate food. So far as I know, no one is starving in America today, despite the comments made, despite the TV commentaries, and the documentaries. There is no starvation in America. Yes, there is malnutrition, which we are attempting to reach through efforts of the legislative branch working in concert with the executive branch.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement of Mr. Richard Lyng, Assistant Secretary, before the Select Committee on Nutrition and Human Needs, on June 19, 1970.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF MR. RICHARD LYNG, ASSISTANT SECRETARY

Mr. Chairman, and Members of the Select Committee: Thank you for this opportunity to discuss the Department of Agriculture's accomplishments toward meeting the food needs of hungry people. I consider it a dramatic record of achievement.

Ten million people in needy families are today benefiting from either the Food Stamp Program or the Commodity Distribution Program. At the time of President Nixon's "Hunger Message" to the Congress on May 6, 1969, that figure was only 6.9 million.

Except in a handful of the nation's 3,129 counties and independent cities, one or the other of these family food assistance programs is now available or in the final planning stage. A little over a year ago, 440 counties in the nation had no program and no plans for one.

Over the past year, expanded school and non-school food service programs have enabled us to reach some 5 million needy youngsters daily with free or reduced price lunches. A year ago only 3 million children received such free or reduced price meals.

That's a capsule of the record. This morning I'd like to review how we achieved today's levels and touch upon our plans for the future.

The hard work, persistence, and cooperation of many people from Federal, State, and local governmental agencies, the Congress, and the private sector—all have made possible the progress I report to you. A key factor, too, is the new agency—the Food and Nutrition Service—organized last summer by Secretary Hardin shortly after the President's message. This agency specializes and concentrates its efforts on the administration of the Federal food programs, and has strengthened the local-State-Federal system of carrying out nutrition activities.

FOOD STAMP PROGRAM

The Food Stamp Program was dramatically expanded immediately following approval in late November of the 1970 USDA appropriations. The amount of money available to the Department for the Food Stamp Program was more than doubled. On December 2, we announced the general outline of the modifications and on December 18 Secretary Hardin detailed the two major features: (1) To give more stamps to recipients, and (2) to lower purchase requirements for participation. The level of stamp issuance is now \$106 per month for a family of four. This amount varies by size of family. At the present time, no more than one-third of the recipient's total income is required to receive food stamps, and most participants need pay no more than one-fourth.

Our latest figures—for May—show an estimated 5.9 million people being served by this program. They received a total of nearly \$87 million in bonus coupons during May—up from \$24 million last December, prior to introduction of the new schedules. That's 3½ times as much in only 5 months.

NO PROGRAM COUNTIES

We have conducted a campaign since the President's message to make family food programs—either food stamps or donated commodities—available in all the 440 counties which on May 6 a year ago had no family food assistance program nor plans for one. By June 30 that number will, we think, be down to less than 20. We are making every effort to meet the President's goal to get a food program commitment for every one of these last few counties.

COMMODITY DISTRIBUTION PROGRAM

Our Commodity Distribution Program has been improved, too. Participation in May reached an estimated 4 million people in needy families. Participants under this program plus those receiving food stamps, add up to nearly 10 million people reached by a family food program last month.

The commodity program has been strengthened, too, in several ways. A greater variety is available in most distribution centers. New, specially enriched or fortified foods are being offered. And the help of a \$15 million allocation of USDA funds has enabled the States to help start new programs and improve

existing ones by setting up additional distribution points, establishing better storage facilities, eliminating restrictive distribution policies, and making food available at all seasons of the year. These improved delivery systems are making it possible for more of the needy to utilize a greater variety of the 23 foods we make available than they have in past years.

CHILD NUTRITION PROGRAMS

The focus of our child nutrition programs has been re-oriented to emphasize feeding children from poor homes—particularly those who attend old, poorly-equipped city schools without kitchens or cafeterias. The goal was set last December to reach 6.6 million poor children by Thanksgiving. Substantial progress has been made toward that goal, as I earlier indicated. Recent legislation will make possible programs which will produce further increases.

The Food and Nutrition Service is now giving top priority to the development of the required Federal Regulations under P.L. 91-248. In order that all concerned individuals and agencies can have equal opportunity to submit their views on the scope and content of these regulations, we intend to publish them, first, as proposed regulations. The final regulations will be issued after considering all comments and suggestions received.

The time for this is short—State educational agencies need to have maximum lead time in planning how best to implement the new legislation in thousands of local schools. Yet, we felt it to be in the best long range interest of children to have the benefit of the advice and counsel of all interested groups in formulating the new regulations.

QUALITY OF PROGRAMS

While we have concentrated much effort during the past year in getting family food programs into the reluctant counties, we have also devoted positive attention to making the programs more fully effective—to try to meet the needs of all of the poor in each of the nation's 3,129 counties and independent cities.

This Committee recently invited two U.S. Army Captains to testify on the study they made last summer for the President's Urban Affairs Council. Their report expressed concern about procedures for monitoring and evaluating local food stamp programs. We share this concern, and the Department is actively involved in the review of State and local operations. FNS is now monitoring program operations in several ways. These are:

Onsite evaluation by field and regional personnel.

Administrative reviews of State and local operations.

Investigations of specific complaints received, including those individual recipients.

Independent audits and investigations by the Office of the Inspector General.

Special studies and surveys.

We still have a need to strengthen the systematic review and evaluation of program effectiveness at the local level. In order to improve our field organization, a management consulting firm was employed last December and has recently completed its study. Included in the recommendations are some which emphasize the need to develop better evaluation techniques and more effective use of our field organization. These recommendations are now under intensive review to determine how best to proceed. We are confident that the changes which will result as we implement the recommendations will be a major step forward in the improvement of our monitoring and evaluation system.

One of the great needs, in addition to providing food or food stamps to needy people, is to assist them in using these resources wisely and nutritiously. We are especially proud of our USDA-Cooperative Extension Service nutrition aides. More than 6,800 of these workers, hired from among the people

they work with, have served over 500,000 needy families, throughout the land. The results in terms of improved nutrition and household food management have been a real and heartwarming success.

Secretary Hardin has said that America has "turned the corner" in its drive to eliminate hunger and malnutrition. We cannot, we will not slow that drive, for we all know that much more remains to be done.

We are grateful to this Committee for your continued interest in ending poverty caused hunger and malnutrition. We thank you for the opportunity to appear before you today.

Mr. ELLENDER. Mr. President, I regret that I was unable to be here to listen to all of the debate today. Since 2:30 p.m., I have been presiding over the Appropriations Committee as its acting chairman, considering the legislative appropriation bill.

I merely desire to reiterate what I understand has already been said on this floor today, that we should be practical in our approach to the food stamp program.

Late last spring, it will be recalled, the Senate sent to the House a resolution to increase the amount of the expenditure for fiscal 1970 from \$340 million, as I recall it, to \$750 million. That resolution remained in the House for several months without action. In November of last year, a resolution was finally approved by both Houses, but instead of providing the \$750 million which the Senate had voted in the spring, the amount was cut back to \$610 million.

The Appropriations Committee has provided in this bill \$1.25 billion for the food stamp program during this fiscal year. The House approved a similar amount but yet the full program cannot be put into operation unless we have a new authorization bill enacted.

It strikes me, as was stated by my good friend from Kansas (Mr. DOLE), that the amount provided by the Appropriations Committee is a great increase over last year. Tremendous progress has been made in the program. My fear is that if the present amendment is adopted, we will have great difficulty in getting the program authorized once again. Unless the amount is authorized, the subcommittee will be unable in conference to come to a decision as to how much to provide for the program.

Under present law, the amount authorized is only \$170 million. That is all the committee is authorized to provide. Yet the House approved \$1,250,000,000, and our Appropriations Committee provided the same amount. All we need to make this available at present would be a resolution adopted by the Senate and House authorizing that amount and thereby providing the \$1,250,000,000 for the food stamp program's operation at its current level.

This is a far cry from the amount spent last year. Mr. Richard Lyng, Assistant Secretary of the Department of Agriculture, in his testimony before the Nutrition Committee on June 19, 1970, stated that the amount of money being spent at present is \$86 million per month.

The bill in its present form would provide \$100 million per month—a considerable increase.

I think that shows great progress. If the House finally acts on the food stamp bill now before it, it may be that more

money can be provided by way of an authorization. If the House does provide a greater sum than this, it can easily be provided through a supplemental bill.

I am hopeful that the Senate will vote realistically. It is my considered judgment that if we adopt what the Senate committee and the House provided for, the \$1.250 million within the next 4 or 5 days we can get a resolution enacted by the Congress authorizing the amount approved. In that way the agricultural bill can be placed on the statute books. If we have no authorization, we will be in the same fix as last year, when the agricultural appropriation bill remained in the hands of the conferees for about 6 or 7 months before agreement could be reached. What was the reason for the delay? We had no authorization for the food stamp program.

I, therefore, hope that the Senate will sustain the work of the Appropriations Committee. Let me give assurance that as soon as that is done, I will convene the Committee on Agriculture and Forestry, of which I am chairman, and present the resolution authorizing the \$1.250 million for the food stamp program for this fiscal year. I am sure that if that is done, we can persuade the House to pass such a resolution. I am sure that agreement on this approach can be obtained, because the House has already acted on the proposal to provide the \$1.250 million in this bill in order to administer the food stamp program.

Now, Mr. President, I wish further to state that we will be spending \$312,745,000 on commodity distribution during fiscal 1971. The committee this afternoon added \$216 million more for that program. We will now be spending on child nutrition \$901 million; and with the other food programs the total will be \$2,540,716,000.

Mr. President, I am hopeful, I repeat, that we will be realistic here. We should forget about the politics in this issue and approve what the subcommittee has suggested; namely, the \$1,250,000,000. Within 10 days, I feel confident that we can get the House to approve the authorization for that amount. The Senate, I am sure, will provide for it and we can have the agricultural appropriation bill on the desk of the President within the next 2 weeks. But if we do not do that, it may be 2 or 3 months before we are able to reach a conference agreement on the bill.

Mr. LONG. Mr. President, how much does the Senator say is the total being provided for school lunch programs and the programs for food assistance?

Mr. ELLENDER. Over \$2.5 billion.

Mr. LONG. Mr. President, in that total of over \$2.5 billion, is the Senator including welfare payments?

Mr. ELLENDER. I am not.

Mr. LONG. It might be well to keep in mind that in addition to the welfare programs, the administration has in committee a welfare bill in which we expect to report such amendments as the committee votes favorably on. We should realize that I think that Welfare payments would increase the amount to \$4 billion, and add 15 million people to the welfare rolls. Much of that money would be spent for food if the people want to spend it on food.

Mr. ELLENDER. Mr. President, I do

not want to get into any arguments over the welfare program. I am simply suggesting that the Senate act realistically and get the program continued. As I have said, the bill as it is now being presented, insofar as food stamps are concerned, would provide more than \$100 million a month, whereas they are now spending about \$86 million.

I think, as has been pointed out, great progress has been made. We should keep that up. We should keep the program underway, on a realistic basis that will be workable and responsive to the need, and on a basis that we are sure the House will accept. The USDA has given assurances that under the present level of funding, provided in this bill, no county or city will be left out of a family food assistance program.

Mr. President, I ask unanimous consent that a July 7, 1970, letter to me from Assistant Secretary Richard Lyng of the USDA be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF ASSISTANT SECRETARY,
Washington, D.C., July 7, 1970.

HON. ALLEN J. ELLENDER,
U.S. Senate.

DEAR SENATOR ELLENDER: Thank you for your telephone call this morning regarding the USDA budget request for food stamps.

We believe the \$1.25 billion request is sufficient at this time because:

1. The gains have been impressive:

[In millions]			
	May 1969	May 1970	Gain
Participants.....	3.2	5.9	2.7
Cost per month.....	\$21.0	\$86.0	\$6.5

2. TOTAL COSTS HAVE GONE UP VERY SHARPLY

[In thousands of dollars]			
	Fiscal 1969	1970 (estimate)	1971 (budget)
Food stamps.....	250,982	610,000	1,250,000
Commodities.....	285,717	295,275	312,745
Child nutrition.....	519,781	581,650	901,557
Other food programs.....	144,852	146,887	76,416
Total.....	1,201,332	1,633,814	2,540,718

3. Although it may be that there will be enough counties applying for food stamp programs during fiscal 1971 to exhaust the \$1.25 billion appropriation, at this time we have approved all counties which have applied as of June 12, 1970. We will be able, within the appropriation, to establish food stamp programs in the 307 cities or counties which are now changing from commodities to food stamps. This includes New York City.

4. We have sufficient funds in the requested commodity appropriation to assure that no county or city will be left out of a family food assistance program.

Sincerely,

RICHARD LYNG,
Assistant Secretary.

Mr. SCOTT. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER (Mr. CRANSTON). The Senator from Pennsylvania is recognized for 5 minutes.

Mr. SCOTT. Mr. President, had the amendment come before the Senate at a

figure of \$2 billion, I would not have been able to support it. We have to consider what is possible, what the other body will do, what final figure will emerge, and what the President's reaction will be.

I myself am hesitant to support any figure that exceeds the budget. On the other hand, I am aware of the likelihood that the House of Representatives will probably arrive at some conference agreement with the Senate on the final figure.

I have been urging some of the sponsors of the amendment to raise the figure to \$2 billion to consider a lower sum so that what comes out finally may be more nearly the budget figure than would have been likely had the figure passed at \$2 billion.

I, therefore, have to assume some responsibility for having helped to influence the sponsors of the legislation to reduce their original amendment to \$1,750 million, which represents a quarter of a million dollars less than the original suggestion. Having accepted that responsibility, I would feel obligated to support the compromise amount.

I realize that there is little or no limitation on the amount which could be spent on the program except the limitations of the Federal revenue in a given year.

While I would like to have stayed with the \$1,250 million, having helped to bring about an adjustment downward, which may come still further downward in conference and be, therefore, nearer the budget figure, I have decided that under all of these circumstances and in view of my own participation in the attempt to bring about a satisfactory solution that I will vote to support the amendment.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. CRANSTON). The question is on agreeing to the McGovern amendment as modified.

Mr. GOODELL. Mr. President, we are all deeply concerned about hunger and starvation and near starvation in this country. The point was made earlier in the debate that everybody is in favor of eliminating hunger. The problem is that we are not willing to pay the price to eliminate it. We have large quantities of surplus food rotting away. Yet, it is incredible that we have so many Americans who are hungry.

The reason I have taken the floor is to address myself to the parliamentary situation, particularly with reference to the other body. A great deal has been made of the difficulty we will have in dealing with the other body.

We should all realize that one of the major reasons we are facing difficulties is that we backed into the hunger program in this country. It originated from the agricultural subsidies program when the farmers felt it would be of assistance to them to be able to dispose of surpluses.

The agricultural committees therefore have been charged with the responsibility of legislating a good portion of the food stamp program. The program is really outside of their jurisdiction, it is related to welfare programs, rather than farm programs.

The situation is particularly acute in the House. Two or three years ago while serving in that body, I was trying to get together a coalition on a bipartisan basis of committees consisting of representatives who were concerned and who wanted to do something about the hunger problem.

Our greatest problem involved the House Agriculture Committee. The members of that committee seem more concerned about the subsidy program and keeping the agriculture program in this country to support the farmers. Their chief interest in terms of food stamps and commodity programs appears to be to get some of the surpluses off the backs of the farmers. I sympathize with the farmers' problem of overproduction. But I think it is very important that we use the surplus commodities intelligently to help the less fortunate in this country. It is also imperative that we put money into the food stamp and other programs to feed those in our country who are suffering from malnutrition and serious health problems; many of whom are disabled for life because of the lack of proper nutrition at a young age.

I think the best way to deal with the problem is to agree to the amendment and for the Senate to stand firm and let the other body know that we are totally committed to providing this necessary money with which to feed our fellow Americans. We should let them know that they might even be jeopardizing some of their hallowed agricultural programs if they do not recognize the realities of the Senate majority.

If we hold up the agricultural appropriations, it will be regrettable.

I think that we need some of those programs. They are very important. I think that we do have to demonstrate to the members of the House Agriculture Committee and to other Members of the House that we do have a firm resolution on this matter. The best way to do it is to provide the funds sought in the McGovern amendment. The amendment is cosponsored by my colleague, Senator JAVITS who cannot be here today but who desperately wished that he could be present. I speak for him, I know, in saying that I hope the amendment will be agreed to.

The PRESIDING OFFICER (Mr. CRANSTON). The question is on agreeing to the McGovern amendment as modified.

Mr. HOLLAND. Mr. President, while Senators are present who were not here when I read the letter dated July 7 from Under Secretary Lyng, who handles this problem for the Secretary of the Department of Agriculture, I want to read one paragraph of the letter.

It reads:

We have requested \$1,250,000,000 for the food stamp program in fiscal 1971. These funds will allow us to operate the program in the 1747 counties where it is presently operating, and in 307 counties or independent cities, including New York City that are now in the process of initiating a food stamp program or changing over from commodity distribution to food stamps.

I digress to say that the 307 counties plus the 1,747 counties make a total of 2,054 counties in which these food stamp

programs are already operating or will be imminently.

That is in a different part of the bill.

The \$312,000,000, which we have requested for commodity distribution will allow us to provide family food assistance in all those counties which have not requested the food stamp program.

In other words, he states in this paragraph very clearly there will be no county or independent city which will not have either a food stamp program or commodity program out of the sum which they have asked us to provide, and which is so much larger than anything ever provided before.

Not only do we have the assurance of the Department to that effect, but also we have the practical facts as stated by the Senator from Louisiana (Mr. ELLENDER). I think some Senators were not in the Chamber when he made his statement. He reminded us that last year when we came to an impasse with the House and we had no authorization bill for this program, that the Senate passed immediately and almost without a dissenting vote a \$750 million emergency resolution, which after some weeks was passed by the House in the amount of \$610 million, which enabled us to go ahead for the period of time, which was required until we got that bill worked out. He reminded us also that when we were debating the supplemental bill, and when it became clear we had no authorization for any months beginning July 1—and we are now in July—he offered an amendment which was both legislation and appropriation to provide \$300 million to be used in the first 4 months of 1971 with the additional provision that when the authorization and appropriation bill had been passed that the amount would be charged against the total of the appropriation for 1971.

He stated, and I think he is so right on this matter I must restate it, that with the \$1.25 billion which the House put in and the \$1.25 billion which our committee put in, both being the amount the budget requested, he thinks we would get a conference report without question on the agriculture appropriation bill within a period of days. I think he stated 10 days. I think he is sound in that observation.

The importance of that is that the authorization bill on the food stamp situation is in a terrible fix. We sent it over there last September. It has not been reported there and the last word I have from the committee members is a statement from the chairman of the committee a week ago that they had agreed to divide the bills, the food stamp bill from the farm bill and report them out separately.

Only yesterday one of the members told me they had decided to report the farm bill first and after action on that in the House they would report the food stamp bill. It makes clear that legislation is a long way off and it might be the last thing we do before we go home; whereas, if we come out of appropriations with \$1.25 billion in the conference report, on the condition there be some authorizing in September, the Senator from Louisiana, who showed such great influence in this bill and accomplished the two things

I mentioned, stated he felt he could get immediate action on a resolution to provide that amount agreed to in both Houses and in the conference report; then, once available as an authorized amount, to move ahead.

The only item I am going to mention is the increase on the school lunch program to \$216 million. It is supposed to be set up between now and the beginning of the school year in September, the Senator from Louisiana said, so they will have a much sounder distribution of school lunches in all States of the Union.

I want every Senator to know that in my opinion and in the judgment of the Senator from Louisiana, and the judgment of other Senators who sat on these conferences, the Senator from Nebraska—and someone else made the same statement a while ago—we are taking too great a chance with the fortunes of other people, their lives and food, and the whole program if we were to increase this amount from \$1.25 billion to \$1.75 billion. I think it would be a tragedy to do it.

I will use my best efforts in conference to work the matter out but I do know what to expect there and I know we will not have anything in conference on the food stamp program, except under the plans over there for several months. I speak of the food stamp conference because, unfortunately, I will have to sit on the food stamp conference and also this appropriation bill. It is going to be difficult if this amount is put in. It will mean a loss not only to the school lunch program. Realizing the appealing nature of a program of this kind and how easy it would be to meet a shortage—I do not think there will be a shortage—but how easy it is to meet such a situation. I think we should go ahead with \$1.25 billion and be prepared for speedy handling of the Agriculture Appropriations conference.

I hope the amendment is rejected.

Mr. THURMOND. Mr. President, I stand to oppose the amendment which would increase the food stamp program from \$1,250,000,000 to \$1,750,000,000. The amount requested by the administration is sufficient and will in fact insure that every city and county will have a family food assistance program. As of June 12, 1970, the applications of all counties which have applied have been approved and the funds necessary to operate such programs have been taken into account. The amount for the fiscal year 1970 was \$610,000,000. The present request for \$1,250,000,000 is an increase of \$640,000,000.

Mr. President, in these days of fiscal difficulty, shall we come here and say that we want to authorize \$500 million more than the Secretary of Agriculture has requested for the food stamp program? This would be an increase of 40 percent over the amount requested by the administration and 187 percent over the amount for last year. I do not think that this sizable increase in 1 year is justified or necessary.

It is a basic economic fact of life that excessive spending by the Federal Government is a major contributing factor to the inflationary activity which continues to plague our Nation. It is also

basic that the cure resides largely in the exercise of sound economic policies and fiscal restraint by the Congress. If we as a nation choose to ignore these economic facts of life, the future consequences are not hard to predict.

At the end of 1970 our Nation will have a national debt of \$373 billion. This is the highest fiscal year-end debt in history. This is a sizable jump over the \$357 billion year-end debt for last year. The \$16 billion debt increase came during a year when military spending dropped a half billion dollars from the previous year, economic aid expenditures were reduced by \$80 million from last year, and space spending was cut by more than \$670 million.

Mr. President, the present appropriation request is sufficient for obtaining the objectives of the bill. In my judgment, the amendment to increase the food stamp program funds by \$500 million would defeat the administration's objective of curbing the high rate of inflation our Nation is experiencing. This body cannot afford to further contribute to this already serious problem.

Mr. President, I strongly urge the Senate to reject this amendment.

FULL FUNDING FOR FOOD STAMPS

Mr. YARBOROUGH. Mr. President, the distinguished Senator from South Dakota (Mr. McGOVERN) is to be commended for his outstanding and dedicated efforts to feed the hungry people of our Nation. It is with pleasure that I join him as a cosponsor of the amendment to provide full funding of the food stamp program.

The amendment is to raise the appropriation from the \$1.25 billion recommended by the committee to \$1.75 billion. This figure is much nearer the \$2 billion figure authorized by the Senate last fall.

Adequate funding of the food stamp program will permit us to reach the 14 million people estimated to be in need of immediate food aid. This estimate of 14 million people who are not adequately fed was made by the U.S. Department of Agriculture.

Unless this amendment is accepted and the food stamp program is fully funded, some 4 million people will continue to suffer without adequate food. Our present commodities distribution program reached 4 million, the food stamp program reaches 6 million people. Together, these programs reach only 10 million people of the 14 million who are in need of immediate food aid.

Mr. President, in the last several days in our consideration of various appropriations bills, there has been frequent reference to the need to reexamine our Nation's priorities. In my view, providing needed food to the people of this Nation is unquestionably one of the most essential responsibilities of the Government.

This great Nation produces food in abundance. We constantly struggle to control the problem of overproduction in the agricultural area. Let us take action now to halt the cruel irony of letting millions of our citizens go hungry while we concern ourselves with the continuing problem of overproduction.

Mr. KENNEDY. Mr. President, I noted last fall, when we passed the food stamp reform bill that debates about the country's ability to feed the poor pointlessly end in a wrangle about money, loss of personal incentives, and concern over proving the relationship between good nutrition and desired productivity.

Yet, there is more than enough evidence that a poor diet produces an ineffective, nonproductive citizen. My support today, Mr. President, goes to Senator McGOVERN and the other Senators who seek to raise the appropriation for the food stamp program to \$1.75 billion for fiscal 1971.

I am constantly concerned about the needs of our hungry poor and the faulty way our Federal assistance programs operate to meet those needs. There are more than 25 million poor people in this country who are indisputably suffering from poor diets because of their low income. An additional 15 million people with marginal incomes also require assistance to improve the quality of their diets. There is no question that because America can feed its hungry citizens, America should feed them. Sadly though, when we are asked to consider food assistance for the poor, we make probing inquiries about the usefulness of an adequate diet instead of getting on with the task of providing for ways to get food to those who need it.

Since the vigorous actions of the Nutrition Committee have spotlighted the extent of malnutrition among America's poor, some changes have begun to appear.

In 1969, there were 3 million Americans receiving food stamps. During 1970, 6 million got stamps. Today, we are here to guarantee that for 1971 there will be 8 million of the poor to get food stamps. While assistance for those 10 million is vitally important, we must not forget that three times that many people remain to be helped. While we debate here today about the cost of feeding a fraction of the poor, 30 million Americans with inadequate incomes will continue to go hungry.

Mr. President, I will vote for the measure authorizing an increase of funds for food stamps so that 8 million hungry poor in this country can be included in that food stamp program. But I continue to be distressed by the failure of that program to include all of the people who need assistance in getting the food they need for a healthy diet.

In my home State of Massachusetts, less than one-half of 1 percent of the people with low income receive food stamps. Some of the local administrators up there hesitate to take the initiative to get the food stamp program introduced in their communities. They complain that the costs of administering the stamp program are too high. But even if every community in Massachusetts adopted the stamp program right now, there would be very few of the poor who could afford its benefits.

In Massachusetts, a four-member family with no other source of income receives \$300 a month from the State welfare department. In order to receive an allotted \$106 worth of food through the

stamp program, that family must spend \$76 of its \$300 monthly income.

For the great majority of such families, that 26 percent of their income is too much to spend for what they believe is not nearly a big enough bonus. That creates a paradox. In my State, a needy family receives more in welfare payments than needy families in almost every other State. But because they receive higher welfare payments than recipients in most other States, people in Massachusetts are effectively penalized by the federally established rules for the food stamp program. Why then, should that Massachusetts family getting \$300 a month pay nearly 4 times more for food than a family whose income is two-thirds smaller?

If that four-member Massachusetts family lived in some other State where assistance payments amount to only \$100 a month, they could purchase \$125 worth of food for about \$20. Food assistance programs continue to be based, therefore, on criteria other than need.

Mr. President, I will vote here today for more money for food stamps even though I know that this alone will not improve the food stamp situation in Massachusetts. For the hungry poor who live up there, the most important thing that can be done in this Congress is to provide for an equitable food assistance program—that will make enough food available to those who need it, based on nutritional requirements and not based solely upon ability to pay.

I urge that we vote to increase the appropriation for food stamps to \$1.75 billion. I also want to see a program that will adequately serve every American who needs help in providing for a nutritious diet.

In the bill we passed last September, there are provisions to raise the stamp bonus for recipients and to extend coverage to more people. Final congressional action on that bill will help to relieve the problems of the many American families suffering from malnutrition and hunger. Our action here today will determine in large measure, how close we have approached the goals set forth in the commitment made last fall to meet the serious nutritional needs of millions of Americans.

Mr. President, I fully support the efforts made here today to guarantee that the food stamp appropriation will be \$1.75 billion for fiscal 1971.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota (No. 763). On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LONG (after having voted in the negative). On this vote I have a pair with the senior Senator from Tennessee (Mr. GORE). If he were present, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withdraw my vote.

Mr. GRIFFIN (after having voted in the negative). I have a live pair with the senior Senator from Illinois (Mr. PERCY). If he were present, he would vote "yea." I have voted "nay." I withdraw my vote

and state that if I were at liberty to vote I would vote "nay."

Mr. STENNIS (after having voted in the negative). On this vote I have a pair with the Senator from Connecticut (Mr. RIBICOFF). If he were present, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withdraw my vote.

Mr. TALMADGE (after having voted in the negative). On this vote I have a pair with the senior Senator from Missouri (Mr. SYMINGTON). If he were present, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withdraw my vote.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Connecticut (Mr. DODD), the Senator from Tennessee (Mr. GORE), the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. MAGNUSON), the Senator from Wyoming (Mr. McGEE), the Senator from Montana (Mr. METCALF), the Senator from Georgia (Mr. RUSSELL), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON), are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL), the Senator from North Carolina (Mr. JORDAN), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Ohio (Mr. YOUNG) are absent on official business.

I further announce that, if present and voting, the Senator from Alaska (Mr. GRAVEL), the Senator from Oklahoma (Mr. HARRIS), and the Senator from Connecticut (Mr. RIBICOFF) would each vote "yea."

On this vote, the Senator from Washington (Mr. MAGNUSON) is paired with the Senator from Alabama (Mr. SPARKMAN). If present and voting, the Senator from Washington would vote "yea" and the Senator from Alabama would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. CURTIS), the Senator from California (Mr. MURPHY), and the Senator from Maine (Mrs. SMITH) are necessarily absent.

The Senator from Kentucky (Mr. COOK), the Senator from New York (Mr. JAVITS), the Senator from Illinois (Mr. PERCY), and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Tennessee (Mr. BAKER) and the Senator from Arizona (Mr. GOLDWATER) are detained on official business.

If present and voting, the Senator from Maine (Mrs. SMITH) would vote "nay."

The pair of the Senator from Illinois (Mr. PERCY) has been previously announced.

On this vote, the Senator from New York (Mr. JAVITS) is paired with the Senator from Nebraska (Mr. CURTIS). If present and voting, the Senator from New York would vote "yea" and the Senator from Nebraska would vote "nay."

On this vote, the Senator from California (Mr. MURPHY) is paired with the Senator from Arizona (Mr. GOLDWATER). If present and voting, the Senator from

California would vote "yea" and the Senator from Arizona would vote "nay."

On this vote, the Senator from Kentucky (Mr. COOK) is paired with the Senator from South Dakota (Mr. MUNDT). If present and voting, the Senator from Kentucky would vote "yea" and the Senator from South Dakota would vote "nay."

The result was announced—yeas 43, nays 28, as follows:

[No. 225 Leg.]

YEAS—43

Bayh	Hollings	Pastore
Boggs	Hughes	Pell
Brooke	Inouye	Prouty
Burdick	Jackson	Proxmire
Byrd, W. Va.	Kennedy	Randolph
Case	Mansfield	Saxbe
Church	Mathias	Schweiker
Cooper	McCarthy	Scott
Cranston	McGovern	Smith, Ill.
Eagleton	McIntyre	Spong
Fong	Mondale	Tydings
Fulbright	Montoya	Williams, N.J.
Goodell	Moss	Yarborough
Hart	Muskie	
Hatfield	Nelson	

NAYS—28

Aiken	Dominick	McClellan
Allen	Eastland	Miller
Allott	Ellender	Packwood
Bellmon	Ervin	Pearson
Bennett	Fannin	Thurmond
Bible	Gurney	Tower
Byrd, Va.	Hansen	Williams, Del.
Cannon	Holland	Young, N. Dak.
Cotton	Hruska	
Dole	Jordan, Idaho	

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—4

Long, against.
Griffin, against.
Stennis, against.
Talmadge, against.

NOT VOTING—25

Anderson	Hartke	Ribicoff
Baker	Javits	Russell
Cook	Jordan, N.C.	Smith, Maine
Curtis	Magnuson	Sparkman
Dodd	McGee	Stevens
Goldwater	Metcalfe	Symington
Gore	Mundt	Young, Ohio
Gravel	Murphy	
Harris	Percy	

So Mr. McGOVERN's amendment was agreed to.

Mr. McGOVERN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT REQUEST

Mr. MANSFIELD. Mr. President, if I may have the attention of the Senate, I would like to ask unanimous consent that there be a time limitation of 30 minutes on all further amendments to be considered, with the exception of the Nelson amendment, which I think can be worked out later, the time to be equally divided between the sponsor of the amendment and the manager of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. COOPER. Mr. President, reserving the right to object, how many minutes? What was the debating time?

Mr. MANSFIELD. Thirty minutes, 15 minutes to a side on each amendment.

Mr. COOPER. Mr. President, I under-

stand that the distinguished Senator from Utah (Mr. Moss) may have an amendment on which I cannot agree to that limitation.

Mr. MANSFIELD. Mr. President, I withdraw the request, and express the hope that the sponsors of amendments will be brief, because of commitments which have been made for this evening months prior to tonight.

LEGISLATIVE PROGRAM

Mr. GRIFFIN. Mr. President, will the distinguished majority leader yield to me?

Mr. MANSFIELD. Yes, indeed.

Mr. GRIFFIN. It may be a little more difficult for him to respond, in view of what has just happened, but I would like to have him give the Senate some indication of what the program will be for the remainder of today and the rest of the week, if possible.

Mr. MANSFIELD. Mr. President, in response to the question raised by the distinguished acting minority leader, there is still a possibility that we could finish the pending measure tonight, but it looks doubtful. It is anticipated that if we do not finish tonight, we will finish at a relatively early time tomorrow.

ORDER FOR ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. MANSFIELD. I ask unanimous consent at this time that when the Senate completes its business tonight, it stand in adjournment until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR GOODELL TOMORROW

Mr. MANSFIELD. I ask unanimous consent that, following the 30 minutes already allotted to the distinguished Senator from Georgia (Mr. TALMADGE) tomorrow, the distinguished Senator from New York (Mr. GOODELL) be recognized for not to exceed 30 minutes, and that following the conclusion of his remarks the Senate proceed immediately to the consideration of the pending measure if it has not been completed.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM CONTINUED — UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. If action on the pending measure has been completed, the next item will be S. 3302, a bill to amend the Defense Production Act of 1950, to which there will be a number of amendments proposed. I understand that the first amendment will very likely be offered by the distinguished Senator from Utah, the ranking member of the committee (Mr. BENNETT). It is hoped, if the Senate approves, that it will be possible also tomorrow—whether or not we complete action on the Defense Production

Act—to take up the Legislative Appropriation Act, which was reported by the committee unanimously and which I hope will be cleared with the rest of the Senate so that we can move forward on these bills.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. MANSFIELD. Yes, indeed.

Mr. BENNETT. Now that the Senator has announced that if we do not finish at a reasonable time tonight we may go over, can the Senator give the Senate any idea as to what his target closing hour is for tonight?

Mr. ALLOTT. In other words, what is a reasonable time?

Mr. BENNETT. Yes.

Mr. MANSFIELD. Well, about 7:15. If we are close then, I think maybe we ought to forego the pleasure of the ladies' company this evening, and try to finish the bill, and perhaps arrive late at the banquet. But we will see. And if I may repeat my request, I ask unanimous consent that there be a 30-minute time limitation on the amendment to be offered by the Senator from Maryland (Mr. MATHIAS) and the amendment offered by the Senator from New York (Mr. GOODELL), the time to be equally divided between the sponsor of the amendment and the manager of the bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. NELSON. Mr. President, I wonder if it would be agreeable to set a time to vote tomorrow on my amendment. I would be perfectly happy to put everything in the RECORD and agree on a set time tomorrow morning.

Mr. MANSFIELD. Let us see how things go tonight, and I will talk with the Senator later.

Mr. GOODELL. Mr. President, the Senator did not mention the Gulf of Tonkin resolution.

Mr. MANSFIELD. The rescinding of the Gulf of Tonkin resolution will be either Friday or Monday, as of now.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1971

The Senate continued with the consideration of the bill (H.R. 17923) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes.

FUNDS FOR CONSERVATION RESEARCH

Mr. MUSKIE. Mr. President, I commend the action taken by the Subcommittee on Agriculture, of the Appropriations Committee, in recommending funds for the construction of a soil and water conservation research facility at the University of Maine in Orono.

Faced with tight budgetary restrictions, the full committee has recommended that \$600,000 be funded for the construction of this facility which can be of valuable service to the entire New England region. The committee's action reveals an awareness of the increasing need of such research facilities to pro-

vide new approaches for the preservation of our basic natural resources.

As Senators may recall, in 1967 \$45,000 was authorized for the planning of this facility. Although the planning stage was completed as of May 1969, funds added by the Senate for construction of the plant in 1970 were later deleted in conference. Moreover, since the original authorization for the facility, estimates for its construction cost have risen from \$450,000 to \$600,000. I offer this information about the increased cost of the facility, and of others of its kind, in further support for the need to proceed with construction now, rather than to permit delay and be forced to incorporate rising construction costs into the building of the plant.

Mr. President, every day we become increasingly aware of the damage we have done to our environment and of the difficulties we face in correcting the problem. The services which facilities of this nature can provide, in conducting research into numerous areas of soil and water conservation, are urgently needed if we are to make progress in restoring the quality of our environment.

I urge Senators to support the committee's recommendation in this matter.

Mr. MOSS. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. MOSS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

SEC. 508. None of the funds appropriated by this Act may be expended for the purpose of (1) carrying out a price support program for tobacco, (2) paying an export subsidy to any person for the export of tobacco, (3) advertising or otherwise promoting the sale of tobacco, (4) financing directly or indirectly the sale of tobacco in any foreign country under the Agricultural Trade Development and Assistance Act of 1954, as amended, or (5) inspecting or grading tobacco.

Mr. BYRD of West Virginia. Mr. President, will the Chair request that the Senate be in order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. BYRD of West Virginia. Mr. President, will the Chair please request that Senators take their seats?

The PRESIDING OFFICER. Senators will please take their seats.

Mr. MOSS. Mr. President, I ask for the yeas and nays on the amendment. The yeas and nays were ordered.

Mr. MOSS. Mr. President, this is a relatively simple amendment, and I think I can explain it rather quickly.

It has to do with price supports for tobacco products. It would prohibit the expending of appropriated funds for carrying out a price support program for tobacco, paying an export subsidy for the export of tobacco, advertising or otherwise promoting the sale of tobacco,

financing directly or indirectly the sale of tobacco in any foreign country under the Agricultural Trade Development and Assistance Act of 1954, or inspecting or grading tobacco.

Mr. President, I am submitting an amendment to cure the Federal Government's schizophrenic approach to tobacco.

As we all know, the Federal Government has over the last few years taken steps to discourage cigarette smoking. In 1964, the Surgeon General's Advisory Committee on Smoking and Health stated that—

Cigarette smoking is a health hazard of sufficient importance in the United States to warrant appropriate remedial action.

Since that time the Surgeon General has repeated and strengthened his warning that cigarette smoking is harmful to public health. Congress in 1965 and again in 1969 has required that each cigarette package bear such a warning, and in the Public Health Cigarette Smoking Act of 1969, Congress has ordered that cigarette advertising on American television and radio terminate on January 2, 1971.

This is the "good" side of the Federal Government's schizophrenia. The "bad" side is the millions it spends every year to promote and subsidize the sale of raw tobacco. It is difficult to be exactly sure how the Federal Government is spending in this effort—there is no line item in the appropriation bill, but last year it was estimated to have been around \$73.2 million.

This \$73 million may not seem like much as part of an \$8 billion agricultural appropriation's bill, but when compared to the \$5-odd million spent by HEW to combat smoking, it exposes the magnitude of the Federal Government's schizophrenia.

My amendment would put a stop to this two-faced treatment of tobacco. It would prohibit the use of any funds in H.R. 17923, the agriculture appropriation bill, for the purpose of first, carrying out a price support program for tobacco; second, paying an export subsidy to any person for the export of tobacco; third, advertising or otherwise promoting the sale of tobacco; fourth, financing directly or indirectly the sale of tobacco in any foreign country under the Agricultural Trade Development and Assistance Act of 1954, as amended; or fifth, inspecting or grading tobacco.

I have not sought to bar funds for tobacco research, although I understand a sizable portion of these funds are used in research to make cigarettes better tasting, better smelling, or better looking.

Mr. President, I realize that there are a number of tobacco farmers who might suffer should this amendment be adopted. I have said many times that I would favor economic assistance to tobacco farmers which would encourage them to switch to another crop. This is what the Government should be doing with the \$70-odd million it now spends subsidizing tobacco.

We must also realize that another industry, the broadcast industry, will suffer a substantial loss of revenue—one quarter of a billion dollars—because Congress decided that cigarette smoking should

not be promoted. No doubt there will be other economic dislocations as the Government seeks to protect the public health.

Simply because smoking tobacco is not illegal is no justification for subsidizing the production of tobacco. Tobacco has no harmless uses, let alone beneficial uses.

Perhaps most indefensible of all the Government's schizophrenic actions is its promotion of tobacco sales overseas. The Government has forced cigarette manufacturers and television stations to accept spot announcements telling the American people that cigarette smoking is dangerous to their health. Yet the Federal Government continues to encourage foreigners to buy American tobacco.

Last year, for example, the Government provided over \$30 million in long-term and local currency credits for foreigners to purchase tobacco under the food-for-peace program. This practice defames this otherwise very worthy program. Tobacco is good for neither food nor peace.

The American tobacco industry also receives a hidden subsidy not available to other agricultural commodities except cotton. Under an obscure 1935 law, the tobacco industry is exempt from paying for voluntary grading of the tobacco leaf by the Department of Agriculture personnel. The costs for fiscal year 1971 are estimated to be about \$3.2 million.

Mr. President, the time has come to cure this schizophrenia. The Government can help mitigate much of the economic hardship created by withdrawal of tobacco subsidies. It may be painful for some. But the Government should not spend the taxpayers' money to encourage the growth of a crop whose use the same Government says is harmful.

Mr. HOLLAND. Mr. President, I realize the good objectives of the Senator from Utah, and I am not here to quarrel with them at all. I just want to invite attention to the fact, however, that this amendment, if it is adopted, would apply to millions of pounds of tobacco already produced and in warehouses in all parts of the tobacco-producing areas of the Nation. It would apply to hundreds of thousands of acres of tobacco planted this year under the assurance of price support, under laws which were passed by Congress and are still on the books. Each of the activities with which this amendment deals has to do with the use of tobacco either already produced and stored or tobacco in process of being produced, which has been planted under the faith of the continuance of legislation which existed at the time it was planted.

Mr. President, I am sure that the distinguished Senator has not thought of this, and I invite his attention to the fact that we are going to be considering a new farm bill very soon. If there is to be a fight on this matter, that is the place for it to be; because it will then apply, if it be adopted—and I shall not vote to adopt it—but if it should be adopted, and a majority of the Senate and of the House might well agree to pass it regardless of my feeling in the matter, it would then apply, and it properly should in the future, to tobacco produced in the future.

I read from the amendment:

None of the funds appropriated by this act may be expended for the purpose of (1) carrying out a price support program for tobacco.

That applies to the hundreds of thousands of acres planted already in the State of Virginia; in the State of Georgia; in the State of Kentucky; in the State of North Carolina; some in my own State, though not so much; some in Missouri, though not so much. In Maryland, they have a habit of holding everything produced in 1 year over until the sale sometime the next spring, so I suspect that this would apply to two different crops in Maryland.

Without study, there is no telling how this would apply to many areas to which it should not apply to honestly. The Government cannot change its rule in the middle of the stream, when farmers have relied on assurances given by Federal laws passed and outstanding and which have been in force for years.

Mr. TALMADGE. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. TALMADGE. If the Senate were to adopt this amendment, would not the Senate be saying in effect that we cannot rely upon an act of Congress, or give full faith and credit to an act of Congress because we, the Senate, will not honor that act? Would that not be the effect of it?

Mr. HOLLAND. I am sorry to have to admit that is exactly what the effect would be. That is what I have been trying to say. It is an objective which can be properly considered and no doubt will be considered when the farm legislation comes up. I have already indicated how I feel about passage or nonpassage, but that is neither here nor there. I am only one out of 535 Members of Congress. I do not know how others may feel, but I am sure that the great majority of both Houses—I suspect that all—when they think about it, will realize that this great Federal Government cannot afford to place itself in a position of breaking contracts with literally hundreds of thousands of people, many of whom are poor.

For instance, in the State of Kentucky, and also in Tennessee, I believe, where there are large acreages of tobacco, the average acreage worked on by the average farmer is 3 or 4 acres. This is a blow which those people least able to stand such treatment on the part of their Government do not deserve. It is their Government as well as ours.

Mr. TALMADGE. I understand that in Kentucky, the burley acreage is approximately one-half an acre per farm, on the average. In Georgia the average is about 1 acre per farmer. If the farmer is fortunate or lucky and gets the price for that particular crop, the result of a year's labor may bring him \$300 to \$500.

The Senate by an overwhelming vote has just passed a food stamp bill where practically all of the tobacco farmers will be the beneficiaries. The result of this amendment would be that the Government would be saying that even though we have contracts with them, to support the price of certain commodities, and that they will receive a certain price per pound for their tobacco, the Govern-

ment of the United States will not honor a law which Congress passed.

Mr. COOPER. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. COOPER. I note that the distinguished Senator from Utah (Mr. Moss) has introduced a bill with the same language as used in his amendment. His bill, I assume, is before the Committee on Agriculture and Forestry. We know of his oft expressed concern about the effects of smoking on health, but this amendment should be defeated.

He was successful, along with others, in securing passage of a bill concerning the advertising and labeling of cigarettes. But I should like to bring to his attention in line with the argument made by the Senator from Georgia and the Senator from Florida, that this tobacco program has been in effect now since the early 1930's.

The Senator talks about subsidies for tobacco. According to my recollection, the actual fact is that in 37 years of the program, the Government has lost no money. Although the Government makes loans on tobacco which is not sold for the support price, this tobacco is stored by the Government and sold by the Government from time to time often at a profit.

Federal, State, and local governments received in 1969 \$4.4 billion in taxes from the sale of tobacco. Thousands of people in 14 or 15 States make their living from tobacco. It is still a crop which uses handwork to process. It takes a year and 1 month to raise a crop of tobacco.

A farmer with his children working one acre may receive \$1,200 to \$1,500. If this amendment should be passed—and it has received no study nor careful consideration—the land values in 14 or 15 States will depreciate and bring economic distress to thousands of tobacco farmers.

This is too important a matter involving the livelihood of many people to be considered as an amendment on the floor of the Senate and to ask the Senate to adopt it.

I voted for the bill of the Senator from Utah (Mr. Moss) last year and limiting the broadcasting of cigarette advertising. But in offering on the floor this amendment which concerns thousands of farm families, many of whom are poor, working a half acre of tobacco—hillside families, I think the Senator would be doing them an injustice. I say that with all due regard to the distinguished Senator from Utah if he proceeds without providing an opportunity for all the facts be heard by the proper committee.

Mr. ERVIN. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. ERVIN. In view of the fact that literally hundreds of thousands of people grow tobacco and many of them, as has been pointed out, live in extreme poverty, does not the Senator from Florida think that the amendment should be presented to the Committee on Agriculture and Forestry first, so that the hundreds of thousands of people who have relied upon the promise implicit

in an act of Congress may be given the opportunity to be heard?

Mr. HOLLAND. Of course, they should be allowed to be heard. Of course, they are right. They have vested rights, too, which cannot be taken away from them under the law.

Mr. ERVIN. Does not the Senator from Florida know that in the tobacco-growing areas, the people who grow the tobacco in effect mortgage their futures to secure the ability to plan and grow their tobacco, and that the passage of this amendment would result in the impoverishment of hundreds of thousands of people who have relied upon the promise of their Government to sustain them with price supports until they are repealed by a legislative act distinguished from an appropriation act?

Mr. HOLLAND. They, of course, can be heard by a legislative committee and they should be heard by a legislative committee, and they will be heard by a legislative committee, if the distinguished Senator from Utah brings it before us—I do not recall that this was even brought before the Agriculture Appropriation Committee—if I am wrong, the Senator will correct me.

Mr. MOSS. Mr. President, I do not believe it was brought before the Appropriations Committee. There has been a bill pending, however, for some time, to achieve this result. It has not had any hearings yet.

I appreciate what the Senator from Florida, the Senator from North Carolina, and other Senators have said here, except that we are talking on two different wavelengths.

There, of course, is the economic problem. I said that in my statement, when I introduced the amendment, and I have said on the floor of the Senate several times that I know there is involved some economic adjustments which involve hardship, perhaps, so that I certainly would favor any sort of subsidy to help to bridge the gap to get tobacco farmers into another kind of crop that would enable them to earn a living when they no longer raise tobacco, if that is what a tobacco subsidy would do.

But what I present the amendment for is the fact that the Federal Government has already made the finding, and we have confirmed it here in the Senate, that tobacco is harmful to the health. Under the circumstances, it seems to me we are in an inconsistent position, to give money to subsidize the growing and marketing of tobacco when, at the same time, we spend money telling the people that it is harmful to smoke and that they should not do so. I just think we should get ourselves out of that dilemma.

Mr. HOLLAND. The Senator may be right. The place for him to be heard—I suggest to him in a friendly way that this is not the place for that, because it involves the changing of a promise the Government has made to hundreds of thousands of people who have already produced tobacco which is stored, hundreds of thousands who have planted this year's crop.

There may be some areas where the crop has not been planted. But certainly

in the South it has been planted long ago. We are now in the month of July.

Mr. ERVIN. Mr. President, I would like to point out that the amendment has not been printed. It was not presented in sufficient time to be printed.

I have in my State hundreds of thousands of people who are dependent upon tobacco. I have in the mountain sections of my State an area where they have one-half acre devoted to burley tobacco. That is the only money crop these people have. It is the only crop through which they can buy shoes to send their children to school.

I respectfully think that, notwithstanding the great feelings of the distinguished Senator from Utah on this matter, the amendment should be withdrawn and there should be hearings upon this matter before a legislative committee instead of having it done in an appropriation bill at this late hour of the day without having had a chance to have hearings.

Mr. HOLLAND. Of course the Senator is correct, and particularly so when the distinguished Senator from Utah states that he expects to try to set up some remedial methods to take care of these people who are hurt. That would of course require legislation which cannot be provided for in this bill.

Mr. ERVIN. Mr. President, this provision would actually bankrupt hundreds of thousands of people in this country, and among them would be the poorest people in the country.

Mr. HOLLAND. Mr. President, I am ready to vote on the matter, but I do hope that my distinguished friend, the Senator from Utah, would withdraw the amendment.

Mr. MOSS. Mr. President, I do not feel that I can do that. However, I would be willing to modify the amendment somewhat to meet the complaint about the tobacco that is already planted and in process, if I would be permitted to modify my amendment by adding another sentence:

This section should not apply to tobacco planted or in process prior to the date of this Act.

That would not affect this year's crop. But it would affect any crops planted hereafter.

Mr. HOLLAND. Mr. President, the appropriation bill is for this year only. The farm legislation which we will be considering in a few days or a week does apply to the future. It does apply to the exact situation which the Senator mentioned. I hope that the Senator will allow his proposal to be handled at that time.

Mr. MOSS. Of course that situation will arise from year to year.

Mr. ERVIN. Mr. President, tobacco has already been planted. It is now in the process of being harvested and sold. These people have mortgaged their future for it.

I sincerely hope that the distinguished Senator from Utah will withdraw his amendment and allow the matter to be handled before the legislative committee.

Mr. HOLLAND. Mr. President, if the Senator does want a vote on this, I would have no objection. I wonder if he would

be willing to have a time limitation of 10 minutes, 5 minutes to the side, to be followed by a yeas and nays vote.

Mr. MOSS. Mr. President, I would be perfectly willing.

Mr. HOLLAND. Mr. President, I hope that the distinguished majority leader would ask for such a limitation.

Mr. ERVIN. Mr. President, before that, I would like to raise the point of order that this is legislation on an appropriation bill.

UNANIMOUS-CONSENT REQUEST

Mr. MANSFIELD. Mr. President, if I could make that request, exclusive of the point of order, I ask unanimous consent that there be a time limitation of 10 minutes, the time to be equally divided between the Senator from Utah and the Senator from Florida.

Mr. ERVIN. Mr. President, I raise the point of order that this is legislation on an appropriation bill. It requires a determination to be made in addition to that provided in the bill to make it workable.

I raise the point of order that it is on an appropriation bill.

The PRESIDING OFFICER (Mr. BYRD of West Virginia). In response to the point of order made by the able Senior Senator from North Carolina (Mr. ERVIN) the Chair states that the phrases "or otherwise promoting" under No. 3 and "or indirectly" under No. 4 create contingencies to the extent that Government officials must make these determinations. Thereby additional duties would be placed on certain Government officials. Under Senate precedent, this would therefore make it subject to a point of order. The Chair sustains the point of order.

Mr. MOSS. Mr. President, I ask unanimous consent to modify the amendment by striking out the words under number three, "or otherwise promoting the sale of tobacco," and to strike in No. 4, "or indirectly."

The PRESIDING OFFICER (Mr. BYRD of West Virginia). Is there objection?

Mr. ERVIN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MOSS. I send the amendment to the desk and ask that it be considered.

The PRESIDING OFFICER. The clerk will report the amendment as modified.

The legislative clerk read as follows:

On page 39, between lines 12 and 13, insert a new section as follows:

Sec. 508. None of the funds appropriated by this Act may be expended for the purpose of (1) carrying out a price support program for tobacco, (2) paying an export subsidy to any person for the export of tobacco, (3) advertising, (4) financing directly the sale of tobacco in any foreign country under the Agriculture Trade Development and Assistance Act of 1954, as amended, or (5) inspecting or grading tobacco.

"This section shall not apply to tobacco planted and in process prior to the date of this Act."

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation on the pending amendment of 10 minutes, the time to be equally divided between the Senator from Utah (Mr. Moss) and the Senator from Florida (Mr. Holland).

The PRESIDING OFFICER (Mr. BYRD of West Virginia). Is there objection? The Chair hears none, and it is so ordered.

Mr. MOSS. Mr. President, I will not take long. The amendment has already been explained. It has been modified to eliminate the inexact words that brought it under attack and caused a point of order to be raised.

I think it is now perfectly clear that it is an appropriate limitation on the appropriation bill pending before the Senate.

I can only reiterate what I said before. In order to be consistent in the Senate, we in this body who believe that we should protect the public health of this country should at least not be expending Federal funds to encourage people to grow and market tobacco which is injurious to the public health. Therefore, I think it is perfectly appropriate.

Mr. President, may I inquire of the Chair whether or not the yeas and nays which were ordered before apply to the modified amendment?

The PRESIDING OFFICER (Mr. NELSON). They are not applicable.

Mr. MOSS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HOLLAND. Mr. President, the Senate has made it a better amendment, but it is still subject to the point that it changes existing contracts into which Government has entered. I could not possibly support it.

Mr. President, I yield 2 minutes to the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized for 2 minutes.

Mr. BYRD of Virginia. Mr. President, it seems to me that the amendment is such a far-reaching proposal that it is very unfair for the Senate to agree to it tonight. It affects the livelihood of many thousands of individual farmers and their families.

I think it would be highly improper not to give those individuals an opportunity to appear before the Committee on Agriculture and Forestry and present their viewpoint. To adopt the proposal now would be very unfair, in my judgment.

I hope that the Senate will vote to reject the amendment of the Senator from Utah. If the Senator from Utah at a later date does present his proposal to the committee, I hope that the farmers will have an opportunity to present their case at the same time.

Mr. HOLLAND. Mr. President, does any other Senator desire time?

Mr. COOPER. Mr. President, will the Senator yield?

Mr. HOLLAND. Mr. President, I yield 2 minutes to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 2 minutes.

Mr. COOPER. Mr. President, I want to make a correction of a statement which I made previously.

I said that there had been no losses in the 37-year period. I have since been informed that the Commodity Credit Corporation has experienced losses of

\$58.8 million in its tobacco program for the entire 37-year period, a loss representing but one quarter of 1 percent of all agricultural losses in this same period. In 11 months of fiscal 1969, the CCC experienced losses in price support programs of all commodities of \$2.9 billion while the losses incurred by the tobacco program in this period amount to \$4.9 million.

This is of great importance to farm people. We are not dealing here with a health program. We dealt with that program under legislation presented by the Committee on Commerce. I think the tobacco people have been very fair, even in connection with the health question. We should be fair to them and give them a chance to be heard. Senators from agricultural States would want to have their farmers given an opportunity to be heard about their programs. Likewise, I think that Senators from industrial States would like to see to it that businessmen be given an opportunity to be heard if their particular industry came under attack.

I urge the Senate to defeat this amendment.

Mr. HOLLINGS. Mr. President, were the Senate to adopt this amendment, we would not only be acting unwisely but uneconomically. Mr. President, since 1933 tobacco taxes have brought \$54 billion into the U.S. Treasury. Enough to finance not only the cost of price support on tobacco but the cost of all other agricultural support payments as well three times over. Additionally we hear much of this country's balance-of-payment problems. I would like to point out that one out of every six agricultural dollars earned by this country is a tobacco dollar. And our balance-of-payment difficulties would be compounded with serious results if this amendment is adopted. In view of that fact I urge the Senate to reject the amendment of my friend the Senator from Utah.

Mr. HOLLAND. Mr. President, I am prepared to yield back the remainder of my time.

Mr. MOSS. Mr. President, with regard to what has been said by the Senator from Kentucky and other Senators before him, the modified amendment does have the provision in it that it would not apply to tobacco that has been planted, so it would apply prospectively to any future planting hereafter.

Mr. ERVIN. Mr. President, if it applies prospectively, I raise the point of order that it is out of order because there is no longer a constitutional limitation upon an appropriation bill.

Mr. MOSS. Mr. President, I submit that it simply says the limitation would not apply to what is now in process.

Mr. MANSFIELD. Mr. President, has the point of order been raised?

The PRESIDING OFFICER (Mr. NELSON). Does the Senator from North Carolina raise the point of order?

Mr. ERVIN. Yes, I raise the point of order. It does not limit any expenditures under this bill in its present form.

The PRESIDING OFFICER. The second amendment would be subject to a point of order on the same grounds as the previous one.

Mr. MOSS. Mr. President, I modify my amendment to strike the last sentence. I was just trying to accommodate what certain Senators have been arguing for.

Mr. ERVIN. I object.

Mr. MOSS. Mr. President, I can modify my amendment.

Mr. BYRD of West Virginia. Not when the yeas and nays have been ordered.

Mr. HOLLAND. Mr. President, I ask unanimous consent that the Senator may modify his amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears no objection, and it is so ordered.

The amendment, as modified, is as follows:

On page 39, between lines 12 and 13, insert a new section as follows:

"Sec 508. None of the funds appropriated by this Act may be expended for the purpose of (1) carrying out a price support program for tobacco, (2) paying an export subsidy to any person for the export of tobacco, (3) advertising, (4) financing directly the sale of tobacco in any foreign country under the Agricultural Trade Development and Assistance Act of 1954, as amended, or (5) inspecting or grading tobacco."

Mr. MANSFIELD. Mr. President, has all time expired on the amendment?

The PRESIDING OFFICER. All time has expired.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I wish to propound a unanimous-consent request which was difficult to obtain earlier.

I ask unanimous consent that there be 30 minutes on all remaining amendments, with the time to be equally divided between the sponsors of the amendment and the manager of the bill; and on the amendment of the Senator from Wisconsin (Mr. NELSON), if he offers his amendment, the time be limited to 20 minutes, the time to be divided between the Senator from Wisconsin and the Senator from Florida; with one-half hour on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The unanimous-consent agreement, subsequently reduced to writing, is as follows:

UNANIMOUS CONSENT AGREEMENT

Ordered, That, during the further consideration of the bill (H.R. 17923) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes, debate on any amendment (except an amendment that might be offered by the Senator from Wisconsin (Mr. NELSON) on which there will be 20 minutes), motion, or appeal, except a motion to lay on the table, shall be limited to ½ hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader or his designee: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Order further, That on the question of the final passage of the said bill debate shall

be limited to ½ hour, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1971

The Senate continued with the consideration of the bill (H.R. 17923) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes.

Mr. THURMOND. Mr. President, I am opposed to the Moss amendment to H.R. 17923. This amendment comes as a surprise to the Senate and with no indication whatsoever as to the possible results. As I understand it, this amendment would cut off all funds under this act for the tobacco programs. Tobacco is not an illegal commodity, and those who use it are forewarned as to the possible effects of its excessive use. This is no reason to single out tobacco for discriminatory treatment.

Mr. President, there have been no studies as to the possible consequences that might result from the passage of this amendment. Thousands of citizens of my State of South Carolina and throughout the South depend upon tobacco for their livelihood. Tobacco is also the No. 1 money crop in my State and the economic effects which would result from eliminating tobacco from the agricultural appropriations would be devastating.

There have been no committee hearings on this matter, no thorough discussion as to the advisability of adopting such an amendment; and in my judgment, it is ill conceived.

I strongly urge that this amendment be defeated.

Mr. MANSFIELD. Mr. President, in view of the fact this will be the last vote tonight, Senators should guide themselves accordingly.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Utah. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CANNON (after voting in the affirmative). On this vote I have a pair with the Senator from Tennessee (Mr. GORE). If he were present and voting he would vote "nay." I have already voted "yea." I withdraw my vote.

Mr. MANSFIELD (after having voted in the negative). On this vote I have a pair with the distinguished Senator from Washington (Mr. MAGNUSON). If he were present and voting he would vote "aye." If I were permitted to vote I would vote "nay." Therefore, I withdraw my vote.

Mr. HART (after having voted in the affirmative). On this vote I have a pair with the Senator from North Carolina (Mr. JORDAN). If he were present and voting he would vote "nay." If I were

permitted to vote I would vote "yea." I withdraw my vote.

Mr. GRIFFIN (after having voted in the negative). On this vote I have a live pair with the Senator from Kentucky (Mr. COOK). If he were present and voting he would vote "nay." If I were permitted to vote I would vote "yea." I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Connecticut (Mr. DODD), the Senator from Tennessee (Mr. GORE), the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Montana (Mr. METCALF), the Senator from Minnesota (Mr. MONDALE), the Senator from Georgia (Mr. RUSSELL), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL), the Senator from North Carolina (Mr. JORDAN), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Ohio (Mr. YOUNG) are absent on official business.

I further announce that, if present and voting, the Senator from Alabama (Mr. SPARKMAN) and the Senator from Missouri (Mr. SYMINGTON), would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. CURTIS), the Senator from California (Mr. MURPHY) and the Senator from Maine (Mrs. SMITH) are necessarily absent.

The Senator from Kentucky (Mr. COOK), the Senator from New York (Mr. JAVITS), the Senator from Illinois (Mr. PERCY) and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senators from Arizona (Mr. FANNIN and Mr. GOLDWATER) and the Senator from Tennessee (Mr. BAKER) are detained on official business.

If present and voting, the Senator from South Dakota (Mr. MUNDT), and the Senator from Nebraska (Mr. CURTIS) would each vote "nay."

The pair of the Senator from Kentucky (Mr. COOK) has been previously announced.

If present and voting, the Senator from Maine (Mrs. SMITH) would vote "yea."

On this vote, the Senator from Illinois (Mr. PERCY) is paired with the Senator from Tennessee (Mr. BAKER). If present and voting, the Senator from Illinois would vote "yea" and the Senator from Tennessee would vote "nay."

The result was announced—yeas 15, nays 52, as follows:

[No. 226 Leg.]

YEAS—15

Brooke	Hatfield	Pell
Case	Jackson	Schweiker
Cranston	Moss	Smith, Ill.
Fulbright	Packwood	Williams, N.J.
Goodell	Pastore	Williams, Del.

NAYS—52

Aiken	Ellender	Muskie
Allen	Ervin	Nelson
Allott	Fong	Pearson
Bayh	Gurney	Prouty
Bellmon	Hansen	Proxmire
Bennett	Holland	Randolph
Bible	Hollings	Saxbe
Boggs	Hruska	Scott
Burdick	Hughes	Spong
Byrd, Va.	Inouye	Stennis
Byrd, W. Va.	Jordan, Idaho	Talmadge
Church	Kennedy	Thurmond
Cooper	Long	Tower
Cotton	Mathias	Tydings
Dole	McClellan	Yarborough
Dominick	McIntyre	Young, N. Dak.
Eagleton	Miller	
Eastland	Montoya	

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—4

Cannon, for.
Mansfield, against.
Hart, for.
Griffin, for.

NOT VOTING—29

Anderson	Hartke	Murphy
Baker	Javits	Percy
Cook	Jordan, N.C.	Ribicoff
Curtis	Magnuson	Russell
Dodd	McCarthy	Smith, Maine
Fannin	McGee	Sparkman
Goldwater	McGovern	Stevens
Gore	Metcalf	Symington
Gravel	Mondale	Young, Ohio
Harris	Mundt	

So Mr. Moss' amendment, as modified, was rejected.

Mr. HOLLAND. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. COOPER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CORRECTION OF PAIR ON VOTE

Mr. MANSFIELD. Mr. President, I ask unanimous consent to make a correction in the permanent RECORD. On page S10625 my colleague from Washington (Mr. MAGNUSON) is listed as having a live pair with the Senator from Rhode Island (Mr. PASTORE). The Senator from Rhode Island (Mr. PASTORE) is listed correctly as withdrawing his "yea" vote. However, the Senator from Washington is listed incorrectly. If he had been present he would have voted "nay" not "yea" as listed in the RECORD. Mr. President, I ask that this correction be made in the permanent RECORD.

The PRESIDING OFFICER (Mr. BURDICK). Without objection, it is so ordered.

THE CALENDAR

Mr. MANSFIELD. Mr. President, with the indulgence of the Senator from Wisconsin (Mr. NELSON), I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 1004 and 1005.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMOVAL OF CLOUD ON TITLES OF CERTAIN PROPERTY LOCATED IN MALIN, OREG.

The bill (H.R. 2036) to remove a cloud on the titles of certain property located in Malin, Oreg., was considered, ordered to a third reading, read the third time, and passed.

EXTENSION OF THE CLASSIFICATION AND MULTIPLE USE ACT AND THE PUBLIC LAND SALE ACT

The Senate proceeded to consider the bill (S. 3728) to amend the act of September 19, 1964 (78 Stat. 986), as amended (43 U.S.C. 1411-19) and the act of September 19, 1964 (78 Stat. 988), as amended (43 U.S.C. 1421-27) which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 1, line 7, after the figure "31," to strike out "1972," and insert "1975,"; in line 8, after the figure "31," to strike out "1972," and insert "1975,"; on page 2, line 7, after the figure "31," to strike out "1972," and insert "1975,"; in line 9, after the figure "31," to strike out "1972," and insert "1975,"; and in line 10, after the figure "31," to strike out "1972,"; and insert "1975,"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8 of the Act of September 19, 1964 (78 Stat. 986, 988), as amended (43 U.S.C. 1418), is amended to read as follows:

"The authorizations and requirements of this Act shall expire December 31, 1975, except that the segregation prior to December 31, 1975, of any public lands from settlement, location, sale, selection, entry, lease, or other form of disposal under the public land laws shall continue for the period of time allowed by this Act."

Sec. 2. Section 7 of the Act of September 19, 1964 (78 Stat. 988, 989), as amended (43 U.S.C. 1427) is amended to read as follows:

"The authority granted by this Act shall expire December 31, 1975, except that sales concerning which notice has been given in accordance with section 3 hereof prior to December 31, 1975, may be consummated and patents issued in connection therewith after December 31, 1975."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1971

The Senate resumed the consideration of the bill (H.R. 17923) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes.

AMENDMENT NO. 766

Mr. NELSON. Mr. President, on behalf of Senators CRANSTON, PROXMIRE, EAGLETON, MCCARTHY, BAYH, MONTOYA, GOODELL, and myself, I call up my amendment No. 766; to provide an increase of \$4.5 million for research on nonchemical methods of pest control. I ask unanimous consent that the name of the Senator from Michigan (Mr. HART) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Mr. President, I call attention to the fact that in the amendment, on line 1, the reference to lines 14 and 15 should be to lines 13 and 14, and so modify my amendment. I ask that the amendment be made the pending business.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read the amendment, as modified, as follows:

On page 3, lines 13 and 14, strike out "\$157,346,200" and insert in lieu thereof "\$161,846,200".

INCREASED FUNDS FOR RESEARCH ON NON-CHEMICAL MEANS OF PEST CONTROL

Mr. NELSON. Mr. President, in 1945, the same year that the pesticide DDT was released for civilian use in the United States, biologists working on U.S. Department of Agriculture research discovered that the chemical could kill wildlife as well as insects.

From that point on, scientific concern about the hazards of pesticides continued to mount worldwide, but, unfortunately, the debate simmered out of the public eye for almost two decades.

Meanwhile, DDT, which became known as the miracle insecticide, came into widespread international use, along with other synthetic, persistent, toxic pesticides. Today, more than a billion pounds of pesticides, including insecticides, herbicides, fungicides, rodenticides, and fumigants, are produced annually in the United States, about 5 pounds for every man, woman, and child in the country. The latest figures show the sales of pesticides increasing more than 13 percent annually, and by 1985, it is estimated that they will increase another sixfold.

In this age of often unquestioning reliance on manmade solutions, pesticides have been heralded and accepted as a panacea for a whole range of health and agricultural problems.

But in recent years, the rising voices of scientific concern and the growing evidence about the dangerous side effects of these compounds have become impossible to ignore.

We know now that DDT has spread over the entire globe, even building up in the flesh of Antarctic penguins, thousands of miles from the closest area of pesticide use. Species of fish-eating birds and birds of prey over vast portions of the earth have been pushed near extinction in areas of their ranges, with compelling evidence that pesticide buildups are a major factor.

A 2-year national pesticide study recently completed by the U.S. Bureau of Sport Fisheries and Wildlife found DDT in 584 of 590 samples of fish taken from 45 rivers and lakes across the United States.

The study results showed DDT ranging up to 45 parts per million in the whole fish, a count more than nine times higher than the current U.S. Food and Drug Administration guideline level for DDT residues in fish.

And last year, the FDA seized 28,150 pounds of frozen Lake Michigan coho salmon because high DDT and dieldrin residues had made the fish unfit for human consumption. Mackerel caught in the Pacific Ocean off the California coast last year were also kept off the market for the same reason.

Off the Florida coast, in a region dependent on nature's resources for its economy, miles-long slicks containing pesticides at levels 10,000 times higher than in surrounding waters have appeared.

In addition to the documented evidence of dangers to wildlife, there are mounting indications that the hard pesticides pose threats to man himself. During a recent conference on pesticides in Stockholm, evidence was presented that DDT, even in very small quantities, could affect human metabolism. A major study published last summer by the National Cancer Institute found that at least 11 pesticides out of 123 chemical compounds tested induced a significantly increased incidence of tumors in laboratory animals.

In her famous book, "Silent Spring," Miss Rachel Carson said of the persistent pesticides:

As crude a weapon as the cave man's club has been hurled against the fabric of life.

In 1963, Miss Carson testified before the Senate Government Operations Committee, chaired by our colleague, Senator ABRAHAM RIBICOFF, during hearings which generated strong congressional concern about pesticides.

Also in 1963, a report by the President's Science Advisory Committee, chaired by Jerome Weisner, said a national goal should be the "elimination of the use of persistent toxic insecticides."

In the next Congress, I introduced the legislation to ban the interstate sale and shipment of DDT, and have reintroduced it in every subsequent Congress.

In no other State has DDT undergone such lengthy and official scrutiny as in my own State of Wisconsin. There, citizen groups and the Environmental Defense Fund joined forces in a petition asking the State department of natural resources to ban the pesticide's use in the State under any circumstances where it could enter world circulation patterns and further contaminate the biosphere. With EDF, the petitioning groups were the Citizens Natural Resources Association of Wisconsin and the Wisconsin division of the Izaak Walton League.

Months of testimony as to the effects of pesticides were heard, and after careful consideration the State hearing examiner ruled against DDT, labeling it an environmental pollutant. He found that DDT and its derivatives were contaminating and rendering unclean and impure the air, land, and waters of the State, and making the same injurious to public health and deleterious to fish, bird, and animal life.

Similar actions to ban or restrict the use of DDT and other hard pesticides have been taken by the States of Washington, California, Arizona, and Michigan.

In the last 2 years, pressures have increased rapidly for action at the national level. After the seizure of the coho salmon from Lake Michigan early last year, the Secretary of Health, Education, and Welfare appointed a scientific commission to review pesticides and their relationship to the environment. The commission findings, known as the Mark report, charged that DDT is a cancer-causing agent, is contaminating the world's food supply, and is causing serious harm to fish and wildlife populations. It recommended an end to all nonessential uses of DDT within 2 years as well as

new stronger restrictions on the use of other chlorinated hydrocarbon pesticides.

Using the Mrak report as the basis for its action, the U.S. Department of Agriculture announced plans last fall to curtail four major uses of DDT, canceling the registration for these uses.

However, this approach never got off the ground when the major pesticide manufacturers immediately initiated a long series of complex appeals, a step which could effectively block any effective action for several years. It is unfortunate that the Department did not choose to suspend those DDT uses pending their cancellation, a move that would have immediately brought a halt to the DDT uses.

In response to these delays, the Environmental Defense Fund, the Sierra Club, West Michigan Environmental Action Council, National Audubon Society, and Izaak Walton League filed suit in the U.S. Court of Appeals for the District of Columbia to force the Agriculture Department to suspend immediately all uses of DDT. The court was strongly persuaded by the case presented by the environmental lawyers and ordered the Agriculture Department to show cause why DDT should not be suspended immediately.

The Department responded that while "scientific evidence indicates that there are some adverse effects upon certain species of fish and wildlife" caused by DDT, it does not constitute an imminent hazard to human health. The Department further stated that it will not eliminate any uses of DDT which are essential to the public health and safety.

This is an almost identical position to that the Department took earlier this year during hearings on this appropriations bill when it indicated that it would not cancel the essential use of any pesticide when no alternative is available.

While there are a growing number of effective, economic substitutes now available for hard pesticides, it has been extremely unfortunate that neither the U.S. Department of Agriculture nor the pesticide industry has appeared willing to mount an all-out effort to improve alternative means of pest control. The sooner these methods are further developed and perfected, the sooner the use of harmful, persistent pesticides can be eliminated.

It appears that a total commitment to seek nonchemical means of pest control in several key problem areas could result in a dramatic reduction in the use of chemical pesticides across the Nation. For example, the American Chemical Society has recently reported that the eradication of just three pests—the boll weevil, the bollworm, and the codling moth—could reduce the amount of insecticides applied annually in the United States by an estimated 40 percent.

While many farmers and other pesticide users resist giving up chemical means of pest control because they feel that other alternatives may be more costly, the opposite has been proven true with regard to methods of nonchemical pest control.

At this point, it would be worthwhile to briefly outline the major approaches

in this area. The integrated pest control method can be best defined as an insect population management system that combines the primary use of nonchemical pest control methods, such as biological control, with a limited use of selective chemical.

Presently there are successful integrated pest control programs in operation on the following crops: cotton, citrus fruits, apples and pears, tomatoes, potatoes, avocados, olives, grapes, corn, eggplant, lettuce, strawberries, and others.

This means of pest control is based on the principle of applied ecology. In order for success to be achieved, the fields must be placed under periodic surveillance to determine when and where specific pest infestations occur. When a problem is discovered, predators, parasites, or disease organisms specifically related to that pest are released to bring the pests back into a favorable balance. Very limited amounts of pesticide may be used, but only when absolutely necessary, and only on the infested area of the crop.

Prof. Robert VandenBosch of the College of Agricultural Sciences, University of California at Berkeley, cites this example: The cost of pest control using chemical pesticides for 4,000 acres of cotton in California was \$185,000. When integrated pest control replaced the use of chemical pesticides, the cost dropped to \$20, a year. The statistics for spotted alfalfa in California are very similar, where in 1957, the cost of pest control with chemical pesticides was at least \$12 million. Today, after the introduction of integrated pest control, the cost has been reduced to only \$3 million, with little or no pest problems remaining.

A recent edition of the Western Fruit Grower cites additional cases of the successful and economical application of integrated pest control in place of the use of chemical pesticides. One expert in biological control has enabled a producer of Valencia oranges to reduce the cost of pest control from \$200 per acre, using chemical control, to only \$60 an acre with integrated pest control. Another orange grower has been able to reduce his cost per acre for pest control to just \$35 per acre, using integrated pest control, and has had higher yields than ever in the history of the grove.

Another pest control approach showing major promise is the use of hormones. The principle is to give an insect its own hormone at the wrong stage of its life, so that it upsets the insect's growth processes and causes it to destroy itself.

For instance, recent laboratory tests have shown that hormones can be successfully used to control the Mexican bean beetle which is a major pest of lima and snap beans. There are two advantages to this technique. One, it affects only the treated species of insect and does not contaminate plant and animal life. Second, it is impossible for insects to develop immunity against it, since they would have to become immune to a hormone that is an essential part of their life cycle.

The use of sex and food attractants is a pest control method showing excellent potential. Under this method, the

sex attractant of the female of the insect species is synthetically produced and then used to lure the insect population into traps. Sex attractants have already been demonstrated for such major pests as the cabbage looper, pink bollworm, tobacco hornworm, and Japanese beetle.

Biological control has emerged as one of the major and most promising methods of insect control. Biological control is the use of insect parasites, predators, and diseases to prey upon damaging pests. USDA tests have shown that imported cabbage worms which destroy cabbage and cauliflower, have been parasitized and killed at a rate of 92 to 99 percent by parasitic wasps. In another major case, alfalfa weevils declined 90 percent during a 3-year survey of areas where the USDA had released wasps that parasitize on this pest. The USDA reported that use of the parasitic wasps save farmers more than \$600,000 in 1969. Further development of this means of pest control is imperative, for very often, DDT and other pesticides destroy not only the intended insect, but also its natural predators that are essential for control.

Insect sterilization has become one of the most effective ways to eliminate a total insect population. In the process, the male of the species is sterilized through radiation or chemicals and then released in the insect population to reduce breeding. This is the technique that was used to eradicate the screw-worm fly from the southeast United States. The U.S. Department of Agriculture raised millions of screw-worm flies weekly, with radioactive cobalt used to make the flies reproductively sterile.

Massive numbers of sterilized flies were air dropped regularly over thousands of square miles infested by native screw-worm flies. The sterile flies mated with the native females, and resulting eggs failed to hatch. Repeated releases of sterile flies reduced screw-worm numbers until the pests finally disappeared.

Presently, the Agriculture Department is maintaining a barrier zone along the United States-Mexico border to keep out new screw-worms through continuously releasing sterile flies along that area. In addition, tests of the sterilization method for the eradication of the pink bollworm are currently in process in California and Arizona.

Finally, the search is now underway for a catalyst which would cause DDT to self-destruct after it had accomplished its insect control tasks. If successful, this would be a major breakthrough in dealing with the tendency of hard pesticides to persist in the environment long after they are needed. Secretary of the Interior Walter Hickel recently announced the award of a contract to test this approach.

Research in these areas could have been greatly accelerated in recent years if the Agricultural Research Service had received the funds which it could have effectively used.

In response to direct requests from my office over the past 2 years, the Department of Agriculture has provided information on the amount of research funds

that could be used for seeking improved means of nonpesticidal control.

For fiscal year 1970, the Department indicated that at least \$4 million in excess of the administration budget could be effectively utilized for necessary research on nonchemical means of pest control. The areas of additional research included the following items—

U.S. Department of Agriculture, "additional research on improved means of nonpesticidal control which could be effectively undertaken in fiscal year 1970":

For establishment of a revolving research and development fund that could be used to implement field scale programs to test, develop and evaluate biological control techniques prior to their full application in the field, \$2,000,000.

For accelerating research on hormonal techniques for altering the life cycle patterns of insects, that is, diapause control, altering reproductive maturity, affecting feeding cycles, and so forth, \$250,000.

For accelerating research and development on physical processes and equipment and environment control for mass rearing of insects for biological control purposes, \$250,000.

For accelerating basic research to determine factors affecting natural plant-resistance to insect damage, \$300,000.

For genetics research on breeding pest-resistant trees, \$300,000.

For research on silvicultural practices to reduce susceptibility of forest stands to epidemic attack by pests, \$100,000.

For research on biological control of forest insects, \$500,000.

For research on biological control of white pine blister rust, root-rots, and stem rusts, \$300,000.

For fiscal year 1971, the Department has reported that an increase of at least \$4.5 million could be effectively utilized for research on nonchemical means of pest control as well as extra funds for the initial staffing of the pesticide research laboratories provided under Senate document 85, 88th Congress, second session. The areas of additional research include the following items—U.S. Department of Agriculture, "Additional research on improved means of nonpesticidal control which could be effectively undertaken in fiscal year 1971":

For accelerating research and development on physical processes and equipment and environmental control for mass rearing of insects for implementing pilot programs of biological control, \$2,165,000.

For expanded research on biological control of cotton boll weevil, including the use of the sterile male technique, \$1,500,000.

For research on biological control of citrus fruit insects, \$165,000.

For research on biological control of tropical fruit flies, \$165,000.

For development of nonpersistent pest control methods, including hormonal insecticides, \$165,000.

For research on biological control of grain sorghum insects, \$110,000.

For research on biological control of cotton insects, \$110,000.

For research on biological control of

arthropod vectors of equine piroplasmiasis, \$60,000.

For research on biological control of aquatic weeds using insects, \$60,000.

I ask unanimous consent that copies of the Department's letters along with program summaries be printed in the RECORD at this point.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE, AGRICULTURAL RESEARCH SERVICE,
Washington, D.C., July 8, 1969.

Hon. GAYLORD NELSON,
U.S. Senate.

DEAR SENATOR NELSON: This is in reply to your request for additional information regarding the pesticide activities of the U.S. Department of Agriculture.

Your questions relate to page 44 of the 1968 Abstracts Report on Pesticides and Related Activities, and specifically to fiscal year 1970 funds for Improved Means of Nonpesticidal Control (Target 2).

The initial request for fiscal year 1970 submitted for Departmental consideration included increases of \$2.0 million or a total of \$24.2 million for this item. As you noted, our revised budget estimates now before Congress includes \$22.3 million for research on improved means of nonpesticidal control.

In response to your direct request for an estimate of additional needs in this area of research which could be effectively utilized during the coming year, the attached list of research items is submitted. They amount to an estimated \$4.0 million which has not had budgetary consideration in the Department or the Bureau of the Budget.

Sincerely yours,

R. J. ANDERSON,
Acting Administrator.

ADDITIONAL RESEARCH OF IMPROVED MEANS OF NONPESTICIDAL CONTROL WHICH COULD BE EFFECTIVELY UNDERTAKEN IN FISCAL YEAR 1970

For establishment of a revolving research and development fund that could be used to implement field scale programs to test, develop and evaluate biological control techniques prior to their full application in the field, \$2,000,000.

For accelerating research on hormonal techniques for altering the life cycle patterns of insects, i.e., diapause control, altering reproductive maturity, affecting feeding cycles, etc., \$250,000.

For accelerating research and development on physical processes and equipment and environment control for mass rearing of insects for biological control purposes, \$250,000.

For accelerating basic research to determine factors affecting natural plant resistance to insect damage, \$300,000.

For genetics research on breeding pest-resistant trees, \$300,000.

For research on silvicultural practices to reduce susceptibility of forest stands to epidemic attack by pests, \$100,000.

For research on biological control of forest insects, \$500,000.

For research on biological control of white pine blister rust, root-rots, and stem rusts, \$300,000.

U.S. DEPARTMENT OF AGRICULTURE,
AGRICULTURAL RESEARCH SERVICE,
Washington, D.C., March 25, 1970.

Hon. GAYLORD NELSON,
U.S. Senate.

DEAR SENATOR NELSON: I am sorry that we were delayed in accumulating the data needed to respond to your letter of March 3, concerning our programs on improved means of nonpesticidal control of pests.

Funds available in fiscal year 1970 for research to reduce pesticide residue hazards amounts to \$45.5 million. Our Agency request to the Department for fiscal year 1971 included proposed increases for pesticide related research totalling about \$5.6 million, of which \$2.3 million was for partial staffing of laboratories provided under S. Doc. 85. These increases were not included in either the Department request to the Bureau of the Budget or the 1971 Budget Estimate. In addition to the partial staffing, these proposed increases included insect control in various crops, improved equipment and methods for pesticide application to agricultural crops, physical processes, equipment and environmental control for mass-rearing of insects, and reducing losses caused by insects in harvested grain.

You ask what additional funds for this research could be utilized effectively in the coming fiscal year. Our estimate would include the following Agency estimates:

(1) Research on new and improved methods for controlling insects in crops and livestock and equipment for improved methods of pesticides application and for mass-rearing of insects for nonpesticidal control of insects—\$3,270,000; and (2) Staffing new pesticides laboratories provided under S. Doc. 85—\$2,620,000. Because of recently developed, promising new approaches to boll weevil control including the use of the sterile male technique, we would add another \$1,500,000 to our estimate of funds that could be used effectively. These estimates total \$7,390,000.

These estimates are submitted at your request and should not be construed as a request for funds. They have not been considered by the Department or the Bureau of the Budget.

Sincerely,

R. J. ANDERSON,
Associate Administrator.

PROGRAMS TO BE FUNDED

FIELD TEST PROJECTS

Establishment of a research and development fund to imple-

ment pilot programs testing and evaluating biological control techniques in the field. Arizona, California, Florida, Georgia, Hawaii, Illinois, Kansas, Maine, Oklahoma, Washington, Wisconsin-----

\$2,165,000

Eradication of the cotton boll weevil against which 45% of all DDT is used-----

1,500,000

Total funds for field test projects -----

3,655,000

NEW RESEARCH PROJECTS

Research on biological control of citrus fruit insects Orlando, Fla.-----

\$165,000

Research on biological control of tropical fruit flies Miami, Fla.-----

165,000

Research on development of hormones to disrupt insect growth Beltsville, Md.-----

165,000

Research on biological control of grain sorghum insects. Stillwater, Okla.-----

110,000

Research on the use of sterile males, attractants and other biological controls of cotton insects. Phoenix, Ariz.-----

110,000

Research on the control of horse parasites by nonchemical means Beltsville, Md.-----

60,000

Research on the use of harmless insects for the control of water weeds. Fort Lauderdale, Fla.-----

60,000

Total funds for new research projects -----

835,000

RESEARCH DEVELOPMENT AND PILOT TESTING OF PROMISING ALTERNATIVE METHODS FOR INSECT CONTROL

NEED FOR INCREASE

Research on insecticides has been heavily supported by private industry. Because of profit opportunities, chemical industries are

willing to invest large sums of money in basic research as well as on the developmental and evaluation phases of research. Such industries see little opportunity for profit in the development and marketing of biological agents or in the production and sale of sterile insects. Before new industry, perhaps the pharmaceutical industry, will become interested in producing and distributing biological agents for insect control, the techniques must be demonstrated as effective and practical. For many of the major insects this can be accomplished through large scale pilot test programs to develop and evaluate promising alternative methods of insect population suppression and eradication. Many of the research projects on alternative methods of insect control have already reached the stage where we need to undertake pilot test programs to determine if the approaches under investigation are effective, economical, and safe for controlling important pests that now require the extensive use of insecticides.

PLAN OF WORK

An annual appropriation of \$2,000,000 would be required for this work. These funds would be used to conduct pilot field tests to develop eradication or area suppression methods for various insects by the use of sterile insects, insect attractants, or mass releases of biological agents. Funds would be allocated on a nonrecurring basis only. When each project is completed, allocation of funds would be discontinued and made available to finance other high priority research development and evaluation projects. When pilot tests involve insect problems in which ARS regulatory programs are in progress or planned, the regulatory agencies would cooperate and actively participate in the projects so that if successful, the procedures could be put into immediate operation by the regulatory agencies.

Some examples of the types of pilot field tests that are to be conducted with this fund are:

Insect	Control or eradication techniques to be evaluated	Size of pilot test area	Duration of test (years)	Estimated annual cost
Japanese beetle	Sterile insect releases and attractants	5,000 acres	3	\$200,000.
Cabbage looper	Light traps plus synthetic sex pheromone	2,000 square miles	3	\$300,000 1st year, \$100,000 2d and 3d.
Codling moth	Production and release of sterile insects	5,000 acres	2	\$600,000.
Caribbean fruit fly	Integrated program of bait sprays and sterile fly releases.	100 square miles	2	\$200,000.
Sugarcane borer	Production and release of parasites	5,000 acres	2	\$100,000.
Pea aphids on alfalfa and field peas	Production and release of parasites	15,000 acres	3	\$100,000 1st year, \$50,000 next 2 years.
Greenbug (aphids) on sorghum	Production and release of parasites	20,000 acres	3	\$100,000 1st year, \$50,000 next 2 years.
Green peach aphid	Control of overwintered aphid forms on host plants.	500 square mile Area	3	\$100,000.
Green peach aphid	Elimination of Canada plum overwintering host.	1,200 square miles	5	\$100,000 1st and 2d, \$50,000 next 3 years.
Lesser peach tree borer, codling moth, red banded leaf roller.	Sex attractants, virgin female moths.	25 square miles. Washington Island, Wis.	3	\$200,000.
Apple maggot	Attractants and release of sterile insects	do	3	\$75,000.
Horn fly	Sterile male, integrated control	200 square miles. (10,000 cattle)	2	\$100,000.

PHYSICAL PROCESSES AND EQUIPMENT AND ENVIRONMENTAL CONTROL FOR MASS REARING OF INSECTS

NEED FOR INCREASE

Current methods of rearing insects involve much hand labor in tasks such as egg collecting, preparation and distribution of diet medium, setting up incubation and growth chambers, transfer of larvae, handling of pupae and adults for sterilization, and cleaning and sterilizing of equipment. Because of the unique characteristics of the larval, pupal, and adult forms of insects, standard industrial engineering techniques and equipment are not directly applicable. Costs of rearing vary widely because of differences in growth characteristics, diet requirements, and size of the various insects. However, rearing costs must be drastically reduced to permit economical and effective use of newer biological techniques of insect control.

PLAN OF WORK

Mechanized methods will be developed for production and handling of rearing media, control of environmental conditions during insect growth, handling of insects during growth, sorting by degree of maturation, sterilization and release over infested areas.

Location and cost

Columbia, Mo., 1 scientist----- \$55,000
State College, Miss., 1 scientist----- 55,000
Yakima, Wash., 1 scientist----- 55,000

Total, 3 scientists----- 165,000

PILOT TEST OF BOLL WEEVIL ERADICATION PROGRAM

NEED FOR INCREASE

The boll weevil is the most important pest affecting cotton production in the United States. It is responsible for losses that aggregate between \$200 to \$300 million a year.

In addition, growers spend about \$70 million in efforts to control this pest. Approximately one-third of all insecticides used in crop production is applied for controlling the boll weevil. About 45 percent of DDT used in the United States for insect control is used in connection with the control of the boll weevil and the boll worm which generally becomes more numerous after insecticides are applied for controlling the boll weevil. Intensive research during the last 8 years has been carried out by the Department of Agriculture and cooperating States in an effort to develop methods of boll weevil control that could lead to eradication of this pest from the United States. The research on various alternative methods that might be integrated to achieve eradication of the insect has advanced to the stage where a major pilot field test is necessary to determine if we have the technical knowledge required to eliminate the boll weevil populations.

PLAN OF WORK

This pilot test site will be centered in an area near Columbus, Mississippi, and will consist of approximately 10,000 acres of cotton which will constitute the test area to determine if eradication is technically and operationally feasible. All cotton grown within a radius of 75 miles of the test area will be treated with nonpersistent insecticides to suppress the boll weevil population and to minimize long-range flight of the insect into the central eradication test area. The central eradication test area, consisting of 10,000 acres of cotton, will be treated with nonpersistent organo-phosphorous insecticide in the fall of 1971 to suppress populations by an estimated 99 percent before the boll weevil goes into winter hibernation. The following spring, traps will be baited with the synthetic boll weevil sex pheromone to further reduce the surviving boll weevil before they can enter fields of cotton. In addition, boll weevils that have been sterilized will be released routinely in the cotton fields to complete the job of population eradication. The same type of program will be continued for a second year to eliminate any survivors that may have escaped during the first year's program or to prevent the establishment of boll weevils that might enter the central area from surrounding cotton. Some of the research aspects of the program will be centered at the Boll Weevil Research Laboratory at State College, Mississippi. The State of Mississippi is constructing a facility for rearing the boll weevils needed for sterilization and release.

To carry out a pilot test program of the nature outlined will require \$2,500,000 each year for 2 years. The Agricultural Research Service and the Cooperative State Research Service of the Department of Agriculture and the Cotton Producers Institute are prepared to contribute from existing financial resources \$1,000,000 of the required \$2,500,000. Additional funds of \$1,500,000 would be required to make it possible to undertake the program described.

INSECT PESTS OF CITRUS

NEED FOR INCREASE

In order to prevent or resolve insect and mite problems on trees and fruit, commercial growers must apply a considerable number of sprays throughout the year. Insecticides disturb ecological balances by destroying beneficial insect enemies of secondary pests which permits the latter to reach damaging numbers. Crop residues, environmental contamination, repetitive high costs, and hazard to spray applicators and to personnel working in citrus orchards are a few of the limitations of insecticide control methods.

PLAN OF WORK

Basic information on insect physiology, metabolism, radiation, biology, ecology, genetics, and climatic requirements will be developed which, in turn, will enable more efficient pathogens, predators, and parasites to be developed. Specific attention will be directed toward attractants and cultural controls.

LOCATION AND COST

Orlando, Fla. (3 scientists) ----- \$165,000

TROPICAL FRUIT FLIES

NEED FOR INCREASE

Four species of tropical fruit flies of economic importance are established in the U.S. Three are found in Hawaii and the fourth in Florida. Establishment of fruit flies on the mainland U.S. would result in potentially heavy losses to citrus, deciduous fruit, and vegetable crops.

In September 1969, 18 oriental fruit flies were found in the El Monte area of Los Angeles County, California. Prompt detection and action on the part of county, State, and Federal officials has resulted in the elimina-

tion of this pest. However, increased world travel and trade will probably result in more frequent outbreaks of this type, thereby increasing the chances that these fruit flies may become established on the mainland despite rigid quarantines.

PLAN OF WORK

Work will be directed toward more efficient bait sprays, and more effective natural and synthetic attractants. The sterile fly release method, which has been used successfully to eradicate the oriental fruit fly from Guam and the melon fly from Rota, will be developed for use. Integrated programs using bait sprays, male annihilation, and sterile fly techniques will be studied.

LOCATION AND COST

Miamin, Fla (3 scientists) ----- \$165,000

DEVELOP SELECTIVE NONPERSISTENT, INCLUDING HORMONAL, INSECTICIDES

NEED FOR INCREASE

Research has shown that entrance, translocation, and site and mode of pesticide action in the target organisms are related to compositional elements and molecular configuration of the individual compounds. The physical and chemical properties of these substances including solubility, volatility, ionization, and other properties, affect performance, persistence, and efficiency of the materials. Because of the complexity of the problem due to the interaction of more than 200 chemicals with several hundred organisms, our information is fragmentary and incomplete.

PLAN OF WORK

Investigations will be undertaken to (1) determine the relationship of element composition and molecular configuration of pesticides to overall pesticidal activity, and (2) determine the effects of pesticides on target organisms and nontarget organisms.

LOCATION AND COST

Beltsville, Md. (3 scientists) ----- \$165,000

INSECT PESTS OF GRAIN SORGHUM

NEED FOR INCREASE

In 1968 a serious outbreak of greenbug occurred on 10 million acres of sorghum in a nine State area from southern California to Texas and north to South Dakota. Taxonomists agreed that morphologically and taxonomically greenbugs which caused damage to sorghums were the same species as those known to cause serious damage to wheat and other small grain crops. However, they believe a new "strain" of greenbug has either evolved, or has been accidentally introduced, which has biological and physiological adaptations that allow the insects to survive and multiply on grain sorghums.

PLAN OF WORK

Basic and applied research will be undertaken to (1) determine the host-plant relationships, particularly the effects of the host plant on the micro-environment which may contribute to the abundance of the greenbug on grain sorghum and wheat; (2) investigate biological control by native parasites, predators, and diseases, and explore foreign areas to find new and more effective parasites and predators; (3) determine the nature of the damage and define levels of infestations that cause economic damage to the crops; and (4) seek varieties resistant to the greenbug.

LOCATION AND COST

Stillwater, Okla. (2 scientists) ----- \$110,000

INSECT PESTS OF COTTON

NEED FOR INCREASE

Losses to insects in the United States are estimated to be 10 percent of the crop annually. In addition to the direct losses in yield and control costs, other losses result

from the use of insecticides to control cotton pests. Drift from insecticides used to control cotton pests in the lower Rio Grande Valley has resulted in greatly increased populations of brown soft scale on citrus. Also, in Arizona, California, and other States, insecticides used repeatedly on cotton has resulted in killing off thousands of colonies of bees and destroying other pollinators.

PLAN OF WORK

Research approaches would include (1) the use of sterile male technique to suppress population buildup and thereby to effect control or eradication, (2) the use of the insect itself to attract and trap others of the same species, (3) the use of synthetic pheromones and other chemical attractants to lure insects to traps or killing devices, (4) the use of parasites and predators to suppress population buildup, (5) the use of viruses, bacteria, and other pathogens, and (6) the use of a combination of chemical, cultural, and biological control methods to control or eradicate a given species.

LOCATION AND COST

Phoenix, Ariz. (2 scientists) ----- \$110,000

ARTHROPOD VECTORS OF EQUINE PIROPLASMOSIS

NEED FOR INCREASE

The use of horses for recreation is increasing and it is important that equine piroplasmosis be prevented from gaining the foothold in the United States that it now has in other areas of the world. This disease is caused by blood parasites which are transmitted from horse to horse by ticks.

PLAN OF WORK

Specific identification of the ticks involved, the physiological processes within the tick relating to transmission of the disease and the required interactions between host, tick vectors, and parasites, will be researched. Control of ticks, at the present time, is almost entirely accomplished by use of insecticides applied to the individual animal by sprays, dips, dusts, or by oil preparation into the ears. The effect of those treatments on the horse will be investigated.

LOCATION AND COST

Beltsville, Md. (1 scientist) ----- \$60,000

BIOLOGICAL CONTROL OF AQUATIC WEEDS USING INSECTS

NEED FOR INCREASE

The use of herbicides for control of weeds in and along irrigation canals and other water bodies has largely replaced the less effective, more expensive, and slower mechanical methods. However, most of the herbicides are expensive, some kill fish, and very few have tolerances established in water for irrigation, livestock watering, or potable, industrial, and recreation uses.

PLAN OF WORK

It has proven feasible and economical to utilize foreign and related arthropods as biological agents to suppress undesirable weeds of foreign origin. Weeds, especially those that adversely affect recreational values and the flow of irrigation and drainage waters in the southern United States, originated from South America. Research will be undertaken to identify insects found to be associated with target weed hosts in foreign countries to determine their degree of host specificity, synchronization with host-plant cycles, ability to inflict significant injury, and methods of propagation, transport, and release.

LOCATION AND COST

Fort Lauderdale, Fla. (about \$10,000 of this would be directed toward some exploratory work at Hurlingham, Argentina) (1 scientist) ----- \$60,000

Mr. NELSON. The \$7.9 million in the

committee-reported bill for staffing five pesticide research laboratories has no relationship to the research to be funded by this amendment.

The research projects covered by this amendment will not be done at those laboratories but will be carried out at other Agriculture Department facilities or by researchers at universities and colleges. The laboratories affected by the \$7.9 million were established for specific research activities none of which is geared to conduct the research necessary for the projects related to this amendment.

Furthermore, it is my understanding that during the Appropriations Committee hearings on this bill, the Agriculture Department witnesses indicated that there were two major obstacles to be overcome before the five laboratories could become fully operational with full staffs. One problem was adequate funding, which the Appropriations Committee has effectively taken care of. But the other difficulty was the ceiling on the number of personnel that the Agriculture Department can hire. This ceiling was legislated by Congress and is administered by the Office of Management and the Budget. In fact, over the past year, the staff of the Agricultural Research Service has been reduced by some 1,500 employees. Therefore, it appears that the Department might not even be able to use these staffing funds over the next 2 years, as provided by the bill, unless something is done to obtain the authority for a sizable increase in the agency's personnel ceiling.

The \$4.5 million in research funds proposed in this amendment can be effectively used right now, regardless of the situation with staff ceilings. These proposed programs will be conducted by researchers already located in Department facilities or by non-Government researchers in university or other facilities.

Each project that would be funded by this amendment is critically needed now. Otherwise, we will only be delaying the time when the use of pesticides in the United States can be substantially reduced.

The major item covered by this amendment is the establishment of a research and development fund to set up pilot programs in the field to test and evaluate various techniques of biological control. These techniques have already been thoroughly researched in the laboratory and now must be tested in the field to determine their effectiveness. Tentatively 11 States have been selected as sites for these pilot programs. The States were chosen because the pest in question is found in abundant numbers in that region. The insects that are the target for these pest programs are 12 of the most harmful pests in the United States. They include the Japanese beetle in Illinois and Georgia, the cabbage looper in Arizona, the codling moth in Washington, the Caribbean fruit fly in Florida, the sugarcane borer in the Virgin Islands, pea and alfalfa aphids in Washington, greenbugs in Kansas and Oklahoma, green pea aphids in Washington and Maine, various peach and apple pests in

Wisconsin, and the horn fly in California and Hawaii. The cost of setting up this fund would be \$2,165,000.

The second major project to be funded by this amendment is a pilot test of an eradication program in Mississippi to deal with the boll weevil. This cotton pest is responsible for losses to cottongrowers of between \$200 to \$300 million each year. In addition growers spend some \$70 million in efforts to control this pest. Approximately one-third of all insecticides used in crop production in the United States is applied to control the boll weevil.

Intensive research over the past 8 years by the Department of Agriculture and cooperating States has developed several promising methods of control and eradication. This research has advanced to the state where a major pilot field test is necessary to determine if the pest can be effectively eradicated.

In order to carry out the pilot test program necessary, \$2.5 million will be needed for each of 2 years. It is my understanding that the Agricultural Research Service, the Cooperative State Research Service of the Department of Agriculture, and the Cotton Producers Institute are prepared to contribute from existing financial resources, \$1 million of the required \$2.5 million.

The existing financial resources from which the Agricultural Research Service will obtain its share of the \$1 million is unfortunately existing and proposed research programs from which funds will have to be redirected. These projects include the following:

RESEARCH TO BE POSTPONED

1. Pilot test to determine if sterilized (sterilize males for mating) corn earworm moths can be used to control this pest. Test planned on island of St. Croix.
2. Pilot test to determine if egg parasites (parasites that feed on eggs) are capable of controlling boll weevils on cotton and vegetables.
3. In State of Washington, pilot test to determine if mass production and sustained release of parasites of pea insects can control this alfalfa pest.
4. Program with Texas A & M to determine more information on the uses of sex attractants on the boll weevil.
5. Pilot test on island off California to determine if populations of the horn fly cattle pest can be eliminated through integrated use of insecticides and sterile flies.
6. Proposed project on the identification and synthesis of chemical components produced by the pink bollworm to attract males. Major cotton pest.
7. Proposed research on sex attractant for range caterpillar in New Mexico. Situation has reached epidemic proportions in New Mexico; *insecticides for its control are considered hazardous to the environment.*
8. Proposed research project at Mississippi State University to develop alternative methods of controlling Lygus bug; a major pest of alfalfa, cotton and other crops.
9. Research proposal to determine potential value of protozoan pathogen (disease causing agent) for control of tobacco budworm. This insect has developed resistance to insecticides; biological controls urgently needed.

However, it is my understanding that there is no immediate source in sight for the final \$1.5 million that will be required in order to undertake the full program. It seems clear that the Agri-

cultural Research Service cannot afford to cut back or delay any further research projects in order to raise the additional funds that are needed. In order to insure that the total project covering some 10,000 acres can be undertaken this year, this amendment will provide \$1.5 million. Without these additional funds, my office has been advised that only a token program or possibly no program at all will be undertaken during this year. If that occurs, we will only be further delaying the day on which the boll weevil will be successfully eradicated and one-third of the total insecticide use in the United States can be stopped.

The two previous items both fall in the area of applied research, where the scientists in laboratories have completed their work and are ready to test the effectiveness of their findings in the field.

The additional projects covered by this amendment fall in the category of new research or continued research aimed at finding improved means to control or eliminate certain pests.

Citrus fruit growers face a constant problem of insect and mite infestation on their trees and fruit. In order to deal with these problems they apply a vast number of chemical sprays on their groves throughout the year. The research project that would be supported by this amendment would involve three scientists in Orlando, Fla., certainly one of the major citrus producing areas of the country, and would cost \$165,000. Seeking alternative methods to deal with the citrus fruit insects, the researchers will seek basic information on insect physiology, metabolism, biology, genetics, climatic requirements. They hope to develop more effective pathogens, predators, and parasites. This research must be done in an area of abundant citrus production and Orlando was chosen for that reason.

This amendment would also provide funds for research to control and eradicate tropical fruit flies which are beginning to threaten some Southern fruit crops. Four species of tropical fruit flies are already found in the United States, three in Hawaii, and one in Florida. This research project, which would be conducted in Miami, Fla., by three scientists at a cost of \$165,000, would be directed toward the development of an integrated pest control program using bait sprays, male annihilation, and sterile fly techniques. This research must be done in Miami since the tropical fruit fly is isolated there and transporting it elsewhere for study might unintentionally enable this pest to gain a foothold elsewhere in this country.

Research on the basic chemical composition of pesticides and their relationship to both target pests and nontarget pests will be covered by funds provided by this amendment. Previous research has shown that the manner in which pesticides affect both target and nontarget pests is related to the molecular structure of individual chemical compounds. It is hoped that this research will be able to determine whether modifications of the molecular structure of the chemical pesticide will enable only target pests to be affected by the chemical. This project will be undertaken in Belts-

ville, Md., by three scientists at a cost of \$165,000 since the major components of the ARS's chemistry research department are located there.

The greenbug represents one of the major pest threats to grain sorghum in the United States. In 1968 there was a very serious outbreak of greenbug infestation of some 10 million acres in a nine-State area ranging from California to Texas and north to South Dakota. This amendment would provide \$110,000 for research in Stillwater, Okla., to seek the development of biological control method to deal with the greenbug. The research would also determine the nature of damage to the crops, the level of infestation which causes economic damage, and the crop varieties that are resistant to the greenbug. This project must be done in this region of the country, where grain sorghum is a major agricultural crop.

In addition to the boll weevil eradication program which was cited earlier, this amendment provides funds to seek means of controlling the pink boll worm, which is a major cotton pest affecting the crop in the Southwestern region of the United States. This research, which will be conducted at Phoenix, Ariz., at a cost of \$110,000, will seek to develop an integrated pest control program, to be used primarily in the Southwest, including the use of sterile males, sex attractants, parasites and predators, and limited use of selected chemicals. Since the problems of cotton pest control differ in the Southwest as compared to other regions of the country, it is necessary that this research be done in that part of the Nation.

Another project that would be supported by this amendment is basic research on blood parasites affecting horses which are transmitted from animal to animal by ticks. One scientist from Beltsville, Md., will thoroughly study the physiological factors that enable the tick to travel from one animal to another carrying the harmful parasites. Presently, the control of these ticks is accomplished almost entirely by the use of insecticides applied to the individual animal. One of the goals of the research will be to determine if alternative means of pest control can be developed.

The final project which would be funded by this amendment involves the use of insects to control weeds growing in or along the banks of irrigation canals, streams, and other bodies of water. Earlier these weeds were destroyed by mowing, cutting or other physical methods. But now these slower and inefficient methods have been replaced by the use of herbicides. However, as the uses of these herbicides have increased chemical residues have mounted in the streams and rivers, killing fish and threatening other forms of marine life.

Many of the weeds now adversely affecting the waters of the Southern United States originated from South America. It has proven feasible and economical in some instances to use certain insects to destroy undesirable weeds.

Researchers on this project will attempt to identify the insects associated with the target weeds and then study that insect's ability to damage the weeds.

They will also review the insect's propagation, mobility, and potential for use in the United States. This project will be undertaken in Fort Lauderdale, Fla., with limited work to be done in Argentina.

The \$4.5 million increase provided by this amendment will enable the Department of Agriculture to take the promising results of the laboratory into the field for tests and demonstration projects. It will enable the Department to accelerate already promising work and to initiate essential new work without reducing ongoing programs.

Now is the time for Congress to provide the Department of Agriculture a form mandate and sufficient funds to accelerate its effort to seek improved non-chemical means of pest control.

Crop and forest damage from insects totals billions of dollars annually worldwide. Damage from the massive indiscriminate use of pesticides to control insects is beyond our capacity even to measure at this stage in history. How many billions in economic damage no one knows. We do know that the continued massive use of slow degrading pesticides has worldwide environmental implications that spell disaster. The scientific community is alarmed about it. The United Nations is convening a world conference on the environment in 1972. Everyone now knows the hour is late and the time for action is right now. Not next year or next month but today. These programs already long delayed cannot be further postponed by any government that professes an intelligent interest in preserving the livability of the planet. I ask unanimous consent that a fact sheet outlining its purpose be printed in the RECORD at this point.

There being no objection, the fact sheet was ordered to be printed in the RECORD, as follows:

SENATOR NELSON'S AMENDMENT TO THE AGRICULTURE APPROPRIATIONS BILL

FUNDS FOR PEST CONTROL RESEARCH

Purpose.—To restore \$4.5 million for research to seek improved methods of non-chemical pest control.

Why.—This increase must be made now in order to accelerate development of effective substitutes for the persistent chemical pesticides now harming the environment.

Background.—In its agency budget proposal, the Agricultural Research Service requested an increase of more than \$4 million for nonchemical pest control research. However, the Agriculture Department or the Bureau of the Budget failed to approve the request. As a result, the ARS must not only reduce on-going programs, but is prevented from accelerating already promising work and initiating essential new research.

Examples.—*Biological control*—Using insect parasites, predators, and diseases to eliminate harmful pests.

Hormones—Disrupting the natural growth and development of pests by introducing certain hormones into its system at critical times.

Sterilization—Inducing sexual sterility in male pests through radiation or chemicals to reduce breeding potential.

Attractants—Using sex or food attractants to lure pests into a trap.

Integrated control—Primary use of biological control with limited use of selective chemicals.

PROGRAMS TO BE FUNDED

Establishment of a research and development fund to imple-

ment pilot programs testing and evaluating biological control techniques in the field. Arizona, California, Florida, Georgia, Hawaii, Illinois, Kansas, Maine, Oklahoma, Washington, Wisconsin.....	\$2, 165, 000
Eradication of the cotton boll weevil against which 75 % of all DDT is used. Columbus, Miss...	1, 500, 000
Research on biological control of citrus fruit insects. Orlando, Fla.	165, 000
Research on biological control of tropical fruit flies. Miami, Fla...	165, 000
Research on development of hormones to disrupt insect growth. Beltsville, Md.....	165, 000
Research on biological control of grain sorghum insects. Stillwater, Okla.....	110, 000
Research on the use of sterile males, attractants and other biological controls of cotton insects. Phoenix, Ariz.....	110, 000
Research on the control of horse parasites by nonchemical means. Beltsville, Md.....	60, 000
Research on the use of harmless insects for the control of water weeds, Fort Lauderdale, Fla....	60, 000

Mr. NELSON. Mr. President, I reserve the remainder of my time for discussion of the amendment until tomorrow.

Mr. PROXMIRE. Mr. President, since unfortunately I may not be able to be present on the floor tomorrow after the vote on the agricultural bill, I ask unanimous consent that I be permitted to take the unusual step of making a brief statement in praise of the Senator from Florida (Mr. HOLLAND).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. KENNEDY. I ask unanimous consent that the time on the amendment of the Senator from Wisconsin (Mr. NELSON) not start to run until the beginning of its consideration tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, as a member of the Senate Appropriations Committee's Agriculture Subcommittee I particularly want to commend my colleague from Florida on the remarkable job he has done, not only this year but in past years, in handling the agriculture appropriations bill.

His name is indelibly stamped on a number of Department of Agriculture programs, not only as the chairman of the Subcommittee handling appropriations for the Department but as a member of both House and Senate Agriculture Committees at a time when programs of truly monumental importance to this country and the world, such as the Public Law 480 program, were being developed.

I know I speak for all of my colleagues when I say that very, very few men in the history of this body have handled the Department of Agriculture's problems and needs here in the legislative branch as well as the senior Senator from Florida. His encyclopedic knowledge of the Department, his fight for fiscal responsibility in the Commodity Credit Corporation program, his fairness to those who have served on the subcommittee all tell us of

a man with great learning, principles and kindness. He will be sorely missed when the Senate takes up this bill again next year.

Mr. HOLLAND. Mr. President, I express my very great gratitude to my friend the Senator from Wisconsin for his very generous statement.

SENATE RESOLUTION 425—TO PERMIT A SENATE EMPLOYEE TO TESTIFY IN A CIVIL ACTION

Mr. WILLIAMS of New Jersey. Mr. President, I offer a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read the resolution, as follows:

S. RES. 425

Whereas, the cases of United States Steel Corporation versus United Mine Workers of America, et al., civil action numbered 70-724, Jones & Laughlin Steel Corporation versus United Mine Workers of America, et al., civil action numbered 70-725, Bethlehem Mines Corporation versus United Mine Workers of America, et al., civil action numbered 70-727, Republic Steel Corporation versus United Mine Workers of America, et al., civil action numbered 70-728, are pending in the United States District Court for the Western District of Pennsylvania; and

Whereas a subpoena has been issued out of said court and addressed to Gerald M. Feder, a staff employee of the Committee on Labor and Public Welfare; and

Whereas by the privilege of the Senate and by Rule XXX of the Standing Rules of the Senate, information secured by staff employees of the Senate pursuant to their official duty as employees may not be revealed without the consent of the Senate; Therefore be it

Resolved, That Gerald M. Feder, a staff employee of the Committee on Labor and Public Welfare, be authorized to appear and testify at the aforementioned proceeding; and be it further

Resolved, That if it should appear by order of the court in the aforementioned proceeding that documentary evidence in the possession and under the control of the Senate is needful for use in said court of justice for the promotion of justice, the Senate authorizes such action thereon as will promote the ends of justice consistently with the privileges and rights of the Senate; be it further

Resolved, That if the said court should determine that any of the papers or documents in the possession and under the control of the Senate have become part of the official transcripts of public proceedings of the Senate by virtue of their inclusion in the official minutes and official transcripts of such proceedings for dissemination to the public upon order of the Senate or pursuant to the rules of the Senate, and, further, that such papers and documents are material and relevant to the issues pending before said court, then copies of such papers and documents in the possession or control of the aforementioned Gerald M. Feder may be produced, excepting any other papers and documents which are within the privileges of the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. WILLIAMS of New Jersey. Mr. President, 2 weeks ago, several thousand coal miners participated in a walk-out claiming that their mines were unsafe and that the Bureau of Mines has not been inspecting the coal mines in accordance with the Federal Coal Mine Health and Safety Act of 1969. Several coal mine operators have sought an injunction against the walkout. The court of appeals has directed the trial court to receive testimony on the issue of the reason for the walkout and whether the Bureau of Mines has enforced the act.

Factual information relevant to these issues has come to the attention of my Subcommittee on Labor. Gerald M. Feder, associate counsel to the subcommittee, has been subpoenaed to testify regarding that factual information. Should the resolution authorizing his testimony be agreed to, Mr. Feder will be free to testify as to factual information which is now a matter of public record or which is available to any member of the public from the subcommittee files.

He will not be free to testify as to internal Senate matters, or information which he may have obtained in confidence. Nor will he be free to express opinions and judgments relating to the factual matters before the Court.

Mr. President, this subpoena is for appearance tomorrow in the Federal District Court in Pittsburgh, Pa.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 425) was agreed to.

CORRECTION OF ANNOUNCEMENT OF POSITION ON VOTES

Mr. BYRD of West Virginia. Mr. President, through an inadvertance, I am advised that two positions of the Senator from Washington (Mr. MAGNUSON) were not announced on yesterday, and, at his request, I ask unanimous consent that the permanent RECORD be corrected to show that he would have voted "yea" on the amendment offered by the able Senator from Arizona (Mr. GOLDWATER), the rollcall being No. 212 legislative, and that his position would have been announced as "yea" on the amendment (No. 758) offered by the Senator from New York (Mr. GOODELL), appearing in the RECORD as rollcall No. 215 legislative; and I ask unanimous consent that the permanent RECORD be corrected to show that the distinguished Senator from Washington (Mr. MAGNUSON) was necessarily absent on those two rollcalls.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE COOPER-CHURCH AMENDMENT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent to have printed in the RECORD at this point my statement expressing my reasons for vot-

ing for the Cooper-Church amendment, that statement having appeared on page S10274 of the RECORD of June 30, 1970.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. BYRD of West Virginia. Mr. President, previously, I expressed my opposition to the Cooper-Church amendment, because I felt that the first paragraph would convey a message to the extent that the President of the United States was not to be allowed to exercise his powers under the Constitution as Commander in Chief in order to protect American forces stationed in South Vietnam.

I also expressed at that time my support of paragraphs 2, 3, and 4 of the Cooper-Church language believing, as I did, and as I do now, that they are calculated to prevent our entering into a new commitment or getting involved in a new war.

Mr. President, with the acceptance of the Mansfield amendment, together with acceptance of the Byrd-Griffin amendment, I believe it has now been made clear that the President, acting as Commander in Chief under the Constitution, not only possesses the constitutional power to protect the lives of American forces wherever deployed, which includes South Vietnam, but also that he may exercise that power in an emergency situation to protect those troops without being forced, if it is impracticable to do so, to consult the Congress first.

Accordingly, I believe now that this weakness, having been cured, I can and will support the Church-Cooper language as amended. I would urge my colleagues to do likewise.

Mr. President, I have also previously indicated my belief that if the Church-Cooper language as originally written were passed by the Senate, the House would not accept it.

I trust, now that the language has been amended as originally described, that the House will accept this language.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. MANSFIELD. Mr. President, I yield 1 minute to the Senator from West Virginia.

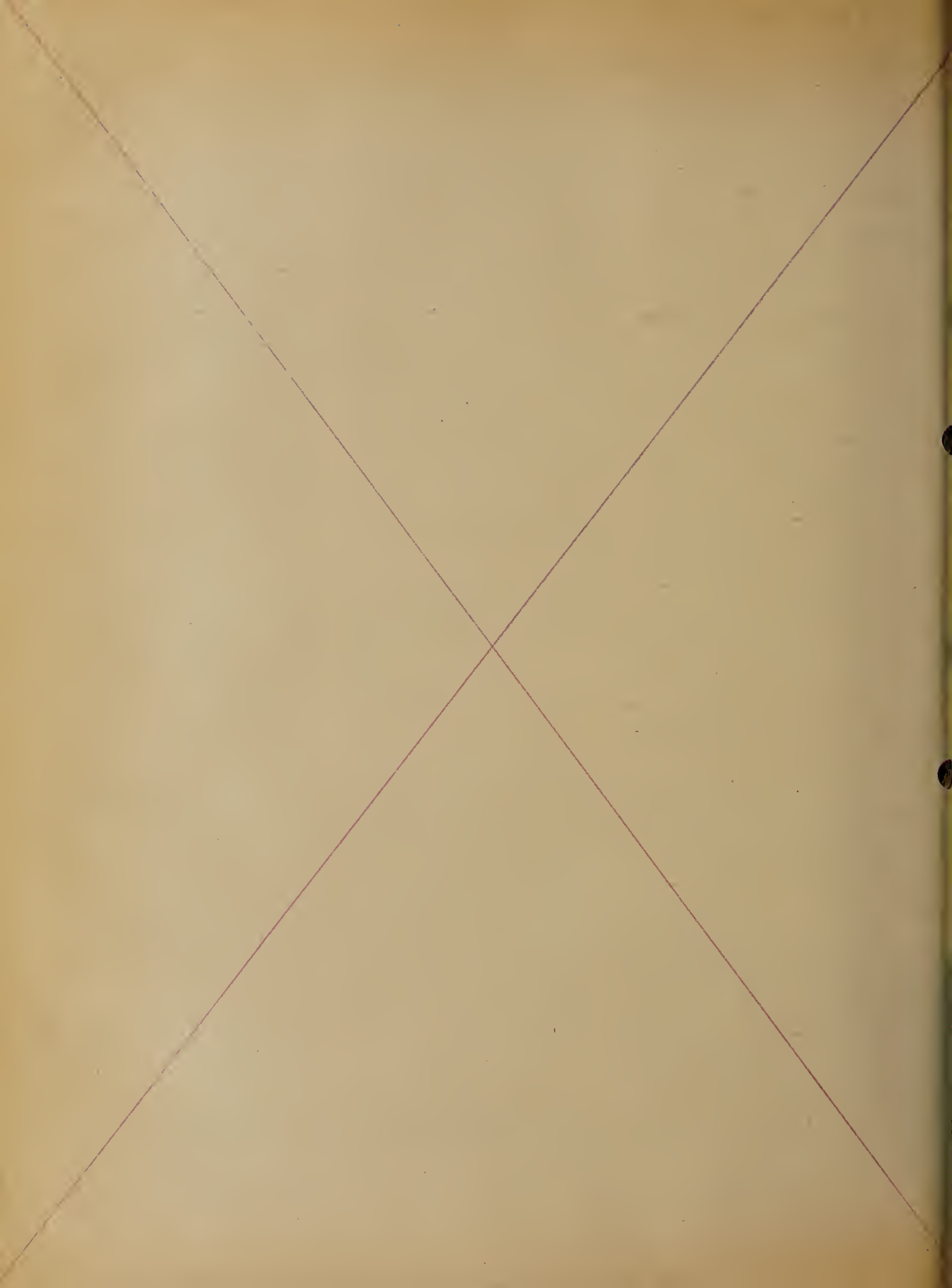
The VICE PRESIDENT. The Senator from West Virginia is recognized for 1 additional minute.

Mr. BYRD of West Virginia. Mr. President, I believe that the Senate has performed a service to the country by this extended debate, because it clearly indicates that the Congress intends to share the war powers under the Constitution while at the same time we recognize the powers of the President as Commander in Chief. In summation, we convey a clear message to our own people, our own troops, and to the enemy that our troops will be protected, but that the prior approval of Congress will be necessary before our Nation can be committed to any new land war in Southeast Asia—thus avoiding our becoming bogged down in new Vietnams.

ADJOURNMENT UNTIL 10 A.M., TOMORROW

Mr. KENNEDY. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 a.m., tomorrow.

The motion was agreed to; and (at 6 o'clock and 50 minutes p.m.) the Senate adjourned until tomorrow, Thursday, July 9, 1970, at 10 a.m.



DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of July 9, 1970
91st-2nd; No.115

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		Youth conservation corps.9

HIGHLIGHTS: Senate passed agricultural appropriations bill.
Both Houses received Presidential message on environment and 2
reorganizational plans.
Reps. Conte and Madden praised Senate action in limiting farm payments
and Rep. Price opposed it.
Rep. Monagan criticized USDA's failure to enforce pesticides restrictions.

SENATE

1. APPROPRIATIONS, AGRICULTURAL. Passed (73 yeas to 6 nays) H.R. 17923, FY 1971 appropriations bill adopting, in addition to those adopted yesterday, the following amendments:
Mathias amendment increasing grants to the States to raise meat inspection levels to Federal standards. This amendment would also amend basic legislation to permit interstate shipment of meat from plants inspected under a Federally approved state system;
Nelson amendment No. 766, modified, increasing funds for ARS;
Goodell amendment (as amended by Holland substitute) increasing operating funds of FHA to implement increased water and waste disposal grants; and
Cooper amendment providing additional funds for horse disease research.
Conference requested and conferees appointed. pp. S10928-45
2. MARKETING ORDERS; APPLES. Disagreed to House amendment to S. 1456, to permit marketing orders under the Agricultural Marketing Agreement Act; since the President had signed amendment into law, conference not requested and measure returned to House. p. S10973
3. ENVIRONMENT. Sen. Javits expressed his support for the President's new Environmental Protection Agency and Sen. Hollings joined him praising the establishment of the National Oceanic and Atmospheric Administration in the Commerce Dept. pp. S10978; S10963-64
Sen. Hatfield reviewed the positive action taken by Oregon to preserve and protect its natural beauty and placed in the Record several articles on aspects of environmental protection in that state. pp. S10917-20
4. NATIONAL PARK. Committee on Interior and Insular Affairs reported with amendments S. 2565, Everglades National Park boundary and authorization bill (S. Rept. No. 91-1011). p. S10880
5. ECONOMY. Sen. Goodell stated that the President's economic measures deserve "to be given a fair assessment and a fair opportunity to work" and that the economy is not the "plaything of partisan politics". pp. S10875-76

HOUSE

6. REORGANIZATION PLANS; ENVIRONMENT. Both Houses received Presidential messages transmitting the following:
Reorganization Plan No. 3, establishing the Environmental Protection Agency (H. Doc. 91-364); to the Committees on Government Operations;
Reorganization Plan No. 4, transferring various functions relative to the oceans and atmosphere to Commerce, and establishing the National Oceanic and Atmospheric Administration (H. Doc. 91-365); to the Committees on Government Operations;
Message expressing concern with the condition of the physical environment (H. Doc. 91-366); to the House Committee on Government Operations, and to the Senate Committees on Public Works, Agriculture and Forestry, Commerce, Interior and Insular Affairs, and Government Operations. pp. S10877-80,
H6523-7





91ST CONGRESS
2^D SESSION

H. R. 17923

IN THE HOUSE OF REPRESENTATIVES

JULY 9, 1970

Ordered to be printed with the amendments of the Senate numbered

AN ACT

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the Depart-
5 ment of Agriculture and related agencies for the fiscal
6 year ending June 30, 1971, and for other purposes; namely:

1 DEPARTMENT OF AGRICULTURE

2 TITLE I—GENERAL ACTIVITIES

3 AGRICULTURAL RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For expenses necessary to perform agricultural research
6 relating to production, utilization, marketing, nutrition and
7 consumer use, to control and eradicate pests and plant and
8 animal diseases, and to perform related inspection, quaran-
9 tine and regulatory work: *Provided*, That appropriations
10 hereunder shall be available for field employment pursuant
11 to the second sentence of section 706 (a) of the Organic Act
12 of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall
13 be available for employment under 5 U.S.C. 3109: *Provided*
14 *further*, That appropriations hereunder shall be available for
15 the operation and maintenance of aircraft and the purchase
16 of not to exceed two for replacement only: *Provided further*,
17 That appropriations hereunder shall be available pursuant to
18 7 U.S.C. 2250, for the construction, alteration, and repair
19 of buildings and improvements, but unless otherwise pro-
20 vided, the cost of constructing any one building (except
21 headhouses connecting greenhouses) shall not exceed \$25,-
22 000, except for six buildings to be constructed or improved
23 at a cost not to exceed \$55,000 each, and the cost of altering
24 any one building during the fiscal year shall not exceed
25 \$7,500 or 7.5 per centum of the cost of the building, which-

1 ever is greater: *Provided further*, That the limitations on
 2 alterations contained in this Act shall not apply to a total of
 3 \$100,000 for facilities at Beltsville, Maryland: *Provided*
 4 *further*, That the limitations on construction contained in
 5 this Act shall not apply to a total of \$350,000 for construc-
 6 tion to a post-mortem and incinerator facility for animal
 7 disease and parasite research:

8 Research: For research and demonstrations on the pro-
 9 duction and utilization of agricultural products; agricultural
 10 marketing and distribution, not otherwise provided for; home
 11 economics or nutrition and consumer use of agricultural and
 12 associated products; and related research and services; and
 13 for acquisition of land by donation, exchange, or purchase at
 14 a nominal cost not to exceed \$100; ~~(1)\$146,143,200~~ \$160,-
 15 446,200, and in addition not to exceed \$15,000,000 from
 16 funds available under section 32 of the Act of August 24,
 17 1935, pursuant to Public Law 88-250 shall be transferred to
 18 and merged with this appropriation ~~(2)~~; except that \$1,000,-
 19 000 of the foregoing amount shall be available for matching
 20 with funds utilized for research under public law 89-502, and
 21 of which ~~(3)\$1,500,000~~ \$3,760,000 shall remain available
 22 until expended for plans, construction, and improvement of
 23 facilities without regard to limitations contained herein: *Pro-*
 24 *vided*, That the limitations contained herein shall not apply to
 25 replacement of buildings needed to carry out the Act of

1 April 24, 1948 (21 U.S.C. 113a) : *Provided further*, That
 2 none of the funds appropriated in this Act shall be used to
 3 formulate a budget estimate for fiscal 1972 of more than
 4 \$15,000,000 for research to be financed by transfer from
 5 funds available under section 32 of the Act of August 24,
 6 1935, and pursuant to Public Law 88-250 **(4)**: *Provided*
 7 *further, That none of the funds appropriated in this Act shall*
 8 *be used to formulate a budget estimate for fiscal 1972 of less*
 9 *than the amount required to conduct the pesticides research*
 10 *program as authorized pursuant to Public Laws 88-573 and*
 11 *89-316;*

12 Plant and animal disease and pest control: For opera-
 13 tions and measures, not otherwise provided for, to control and
 14 eradicate pests and plant and animal diseases and for carry-
 15 ing out assigned inspection, quarantine, and regulatory ac-
 16 tivities, as authorized by law, including expenses pursuant to
 17 the Act of February 28, 1947, as amended (21 U.S.C.
 18 1114b-c), **(5)**~~\$98,619,750~~ \$99,369,750, of which **(6)**
 19 ~~\$2,000,000~~ \$1,500,000 shall be apportioned for use pursuant
 20 to section 3679 of the Revised Statutes, as amended, for the
 21 control of outbreaks of insects, plant diseases and animal
 22 diseases to the extent necessary to meet emergency condi-
 23 tions: *Provided*, That no funds shall be used to formulate or
 24 administer a brucellosis eradication program for the current
 25 fiscal year that does not require minimum matching by any

1 State of at least 40 per centum: *Provided further*, That, in
2 addition, in emergencies which threaten the livestock or poul-
3 try industries of the country, the Secretary may transfer from
4 other appropriations or funds available to the agencies or cor-
5 porations of the Department such sums as he may deem
6 necessary, to be available only in such emergencies for the
7 arrest and eradication of foot-and-mouth disease, rinderpest,
8 contagious pleuropneumonia, or other contagious or infectious
9 diseases of animals, or European fowl pest and similar dis-
10 eases in poultry, and for expenses in accordance with the
11 Act of February 28, 1947, as amended, and any unexpended
12 balance of funds transferred under this head in the next
13 preceding fiscal year shall be merged with such transferred
14 amounts;

15 Special fund: To provide for additional labor, subpro-
16 fessional and junior scientific help to be employed under
17 contracts and cooperative agreements to strengthen the work
18 at research installations in the field, not more than \$2,000,-
19 000 of the amount appropriated under this head for the
20 previous fiscal year may be used by the Administrator of the
21 Agricultural Research Service in departmental research pro-
22 grams in the current fiscal year, the amount so used to be
23 transferred to and merged with the appropriation otherwise
24 available under "Salaries and expenses, Research".

1 SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
2 PROGRAM)

3 For payments, in foreign currencies owed to or owned by
4 the United States for market development research author-
5 ized by section 104 (b) (1) and for agricultural and forestry
6 research and other functions related thereto authorized by
7 section 104 (b) (3) of the Agricultural Trade Development
8 and Assistance Act of 1954, as amended (7 U.S.C. 1704 (b)
9 (1), (3)), \$5,000,000, to remain available until expended:
10 *Provided*, That this appropriation shall be available, in addi-
11 tion to other appropriations for these purposes, for payments
12 in the foregoing currencies: *Provided further*, That funds ap-
13 propriated herein shall be used for payments in such foreign
14 currencies as the Department determines are needed and
15 can be used most effectively to carry out the purposes of this
16 paragraph: *Provided further*, That not to exceed \$25,000
17 of this appropriation shall be available for payments in for-
18 eign currencies for expenses of employment pursuant to the
19 second sentence of section 706 (a) of the Organic Act of
20 1944 (7 U.S.C. 2225), as amended by 5 U.S.C. 3109.

21 COOPERATIVE STATE RESEARCH SERVICE
22 PAYMENTS AND EXPENSES

23 For payments to agricultural experiment stations, for
24 grants for cooperative forestry and other research, for facili-
25 ties, and for other expenses, including (7) ~~\$58,390,000~~ \$61,-
26 390,000 to carry into effect the provisions of the Hatch Act,

1 approved March 2, 1887, as amended by the Act approved
 2 August 11, 1955 (7 U.S.C. 361a-361i), including admin-
 3 istration by the United States Department of Agriculture;
 4 ~~(8)\$4,012,000~~ \$4,412,000 for grants for cooperative for-
 5 estry research under the Act approved October 10, 1962 (16
 6 U.S.C. 582a-582a-7), ~~(9)\$2,000,000~~ \$3,350,000, in addi-
 7 tion to funds otherwise available for contracts and grants for
 8 scientific research under the Act of August 4, 1965 (7 U.S.C.
 9 450i), of which \$1,000,000 shall be for the special cotton
 10 research program and \$400,000 for soybean research; \$160,-
 11 000 for penalty mail costs of agricultural experiment stations
 12 under section 6 of the Hatch Act of 1887, as amended; and
 13 \$514,000 for necessary expenses of the Cooperative State
 14 Research Service, including administration of payments to
 15 State agricultural experiment stations, funds for employment
 16 pursuant to the second sentence of section 706 (a) of the
 17 Organic Act of 1944 (7 U.S.C. 2225), and not to exceed
 18 \$50,000 for employment under 5 U.S.C. 3109; in all,
 19 ~~(10)\$65,076,000~~ \$69,826,000.

20 EXTENSION SERVICE

21 COOPERATIVE EXTENSION WORK, PAYMENTS AND

22 EXPENSES

23 Payments to States and Puerto Rico: For payments
 24 for cooperative agricultural extension work under the Smith-
 25 Lever Act, as amended by the Act of June 26, 1953, the
 26 Act of August 11, 1955, and the Act of October 5, 1962

1 (7 U.S.C. 341-349), to be distributed under sections 3 (b)
 2 and 3 (c) of the Act, \$89,321,000; payments for the nutri-
 3 tion education program for low-income areas under section
 4 3 (d) of the Act, \$48,560,000; ~~(11)~~*payments for rural de-*
 5 *velopment work under section 3(d) of the Act \$10,400,000;*
 6 payments and contracts for such work under section 204 (b) -
 7 205 of the Agricultural Marketing Act of 1946 (7 U.S.C.
 8 1623-1624), \$1,450,000; and payments for extension work
 9 under section 109 of the District of Columbia Public Edu-
 10 cation Act, as amended by the Act of June 20, 1968 (7
 11 U.S.C. 329), \$700,000; in all. ~~(12)~~*in all, \$140,031,000*
 12 *\$150,431,000: Provided, That funds hereby appropriated*
 13 *pursuant to section 3 (c) of the Act of June 26, 1953, shall*
 14 *not be paid to any State or Puerto Rico prior to availability*
 15 *of an equal sum from non-Federal sources for expenditure*
 16 *during the current fiscal year.*

17 Retirement and employees' compensation costs for ex-
 18 tension agents: For cost of employer's share of Federal
 19 retirement and for reimbursement for benefits paid from the
 20 Employees' Compensation Fund for cooperative extension
 21 employees, ~~(13)~~~~\$13,515,000~~ \$12,932,600.

22 Penalty mail: For costs of penalty mail for cooperative
 23 extension agents and State extension directors, \$3,617,000.

24 Federal Extension Service: For administration of the
 25 Smith-Lever Act, as amended by the Act of June 26, 1953,

the Act of August 11, 1955, and the Act of October 5, 1962 (7 U.S.C. 341-349), and extension aspects of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and of the District of Columbia Public Education Act, as amended by the Act of June 20, 1968 (7 U.S.C. 329), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, \$4,188,000.

FARMER COOPERATIVE SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the Act of July 2, 1926 (7 U.S.C. 451-457), and for conducting research relating to the economic and marketing aspects of farmer co-operatives, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), ~~(14)~~\$1,649,000 \$1,684,000.

SOIL CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent

1 floods and the siltation of reservoirs and to control agricul-
 2 tural related pollutants) ; operation of conservation plant
 3 materials centers; classification and mapping of soil; dis-
 4 semination of information; purchase and erection or alteration
 5 of permanent buildings; and operation and maintenance of
 6 aircraft, ~~(15)\$128,557,000~~ \$128,457,000, with which shall
 7 be merged the unexpended balance of funds appropriated for
 8 the previous fiscal year under this head ~~(16)~~:*Provided, That*
 9 ~~Public Law 40, Eighty-fourth Congress, making appropria-~~
 10 ~~tions for the Department of Agriculture and Farm Credit~~
 11 ~~Administration for the fiscal year ending June 30, 1956, and~~
 12 ~~for other purposes, is hereby amended by striking out the~~
 13 ~~period following the last proviso in the section entitled "Flood~~
 14 ~~Prevention", substituting a comma and adding the following:~~
 15 ~~"and where the Army does have jurisdiction and responsi-~~
 16 ~~bility, may enter into agreements with the Army to carry~~
 17 ~~out jointly the measures heretofore set out and in areas where~~
 18 ~~the Secretary is authorized to purchase land rights for struc-~~
 19 ~~tural measures, the Secretary in lieu of such acquisition, may~~
 20 ~~reimburse local organizations for such proportionate share of~~
 21 ~~the cost of land rights furnished by local organizations as the~~
 22 ~~Secretary deems equitable in consideration of the national~~
 23 ~~interest."~~: *Provided (17)further, That* the cost of any per-
 24 manent building purchased, erected, or as improved, exclusive
 25 of the cost constructing a water supply or sanitary system

1 and connecting the same to any such building and with
2 the exception of buildings acquired in conjunction with
3 land being purchased for other purposes, shall not exceed
4 \$2,500, except for one building to be construed at a
5 cost not to exceed \$25,000 and eight buildings to be con-
6 structed or improved at a cost not to exceed \$15,000 per
7 building and except that alterations or improvements to other
8 existing permanent buildings costing \$2,500 or more may be
9 made in any fiscal year in an amount not to exceed \$500 per
10 building: *Provided further*, That no part of this appropria-
11 tion shall be available for the construction of any such build-
12 ing on land not owned by the Government: *Provided further*,
13 That no part of this appropriation may be expended for soil
14 and water conservation operations under the Act of April 27,
15 1935 (16 U.S.C. 590a-590f) in demonstration projects:
16 *Provided further*, That this appropriation shall be available
17 for field employment pursuant to the second sentence of sec-
18 tion 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225),
19 and not to exceed \$5,000 shall be available for employment
20 under 5 U.S.C. 3109: *Provided further*, That qualified local
21 engineers may be temporarily employed at per diem rates to
22 perform the technical planning work of the service.

23 RIVER BASIN SURVEYS AND INVESTIGATIONS

24 For necessary expenses to conduct research, investiga-
25 tions and surveys of the watersheds of rivers and other water-

1 ways, in accordance with section 6 of the Watershed Pro-
 2 tection and Flood Prevention Act, approved August 4, 1954,
 3 as amended (16 U.S.C. 1006), to remain available until
 4 expended; \$9,043,000, with which shall be merged the
 5 unexpended balances of funds heretofore appropriated to the
 6 Department for river basin survey purposes: *Provided*, That
 7 this appropriation shall be available for field employment
 8 pursuant to the second sentence of section 706 (a) of the
 9 Organic Act of 1944 (7 U.S.C. 2225) and not to exceed
 10 \$60,000 shall be available for employment under 5 U.S.C.
 11 3109.

12 WATERSHED PLANNING

13 For necessary expenses for small watershed investiga-
 14 tions and planning, in accordance with the Watershed Pro-
 15 tection and Flood Prevention Act, as amended (16 U.S.C.
 16 1001-1008), to remain available until expended, ~~(18)~~\$6,-
 17 ~~698,000~~ \$5,434,000, with which shall be merged the unex-
 18 pended balances of funds heretofore appropriated under this
 19 head: *Provided*, That this appropriation shall be available for
 20 field employment pursuant to the second sentence of section
 21 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and
 22 not to exceed \$50,000 shall be available for employment
 23 under 5 U.S.C. 3109.

24 WATERSHED WORKS OF IMPROVEMENT

25 For necessary expenses to carry out preventive meas-
 26 ures, including, but not limited to research, engineering

1 operations, methods of cultivation, the growing of vegeta-
 2 tion, and changes in use of land, in accordance with the
 3 Watershed Protection and Flood Prevention Act, approved
 4 August 4, 1954, as amended (16 U.S.C. 1001-1005, 1007-
 5 1008), and the provisions of the Act of April 27, 1935 (16
 6 U.S.C. 590 a-f), to remain available until expended;
 7 ~~(19)~~~~\$74,278,000~~ \$76,000,000, with which shall be merged
 8 the unexpended balances of funds heretofore appropriated or
 9 transferred to the Department for watershed protection pur-
 10 poses: *Provided*, That this appropriation shall be available
 11 for field employment pursuant to the second sentence of sec-
 12 tion 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225),
 13 and not to exceed \$100,000 shall be available for employ-
 14 ment under 5 U.S.C. 3109: *Provided further*, That
 15 \$5,000,000 of the funds in the direct loan account of the
 16 Farmers Home Administration shall be available until
 17 expended for loans.

18 FLOOD PREVENTION

19 For necessary expenses, in accordance with the Flood
 20 Control Act, approved June 22, 1936 (33 U.S.C. 701-709,
 21 16 U.S.C. 1006a), as amended and supplemented, and in
 22 accordance with the provisions of laws relating to the activi-
 23 ties of the Department, to perform works of improvement,
 24 including funds for field employment pursuant to the second
 25 sentence of section 706 (a) of the Organic Act of 1944 (7

1 U.S.C. 2225), and not to exceed \$100,000 for employment
 2 under 5 U.S.C. 3109, to remain available until expended;
 3 \$21,037,000, with which shall be merged the unexpended
 4 balances of funds heretofore appropriated or transferred to
 5 the Department for flood prevention purposes: *Provided*,
 6 That \$400,000 of funds in the direct loan account of the
 7 Farmers Home Administration shall be available until ex-
 8 pended for loans.

9 **GREAT PLAINS' CONSERVATION PROGRAM**

10 For necessary expenses to carry into effect a program of
 11 conservation in the Great Plains area, pursuant to section
 12 16 (b) of the Soil Conservation and Domestic Allotment Act,
 13 as added by the Act of August 7, 1956 (16 U.S.C. 590p),
 14 ~~(20)\$15,355,000~~ \$16,355,000, to remain available until
 15 expended.

16 **RESOURCE CONSERVATION AND DEVELOPMENT**

17 For necessary expenses in planning and carrying out
 18 projects for resource conservation and development, and for
 19 sound land use, pursuant to the provisions of section 32 (e)
 20 of title III of the Bankhead-Jones Farm Tenant Act, as
 21 amended (7 U.S.C. 1011; 76 Stat. 607), and the provisions
 22 of the Act of April 27, 1935 (16 U.S.C. 590a-f, ~~(21)\$13,-~~
 23 ~~876,000~~ \$14,676,000, to remain available until expended:
 24 *Provided*, That \$3,300,000 of the funds available in the direct
 25 loan account of the Farmers Home Administration shall be

1 available for loans under subtitle A of the Consolidated Farm-
2 ers Home Administration Act of 1961, as amended (7
3 U.S.C. 1922-1929), and section 32 (e) of title III of the
4 Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C.
5 1011 (e)), to remain available until expended: *Provided*
6 *further*, That this appropriation shall be available for field
7 employment pursuant to the second sentence of section 706
8 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not
9 to exceed \$50,000 shall be available for employment under 5
10 U.S.C. 3109.

11 ECONOMIC RESEARCH SERVICE

12 SALARIES AND EXPENSES

13 For necessary expenses of the Economic Research Serv-
14 ice in conducting economic research and service relating to
15 agricultural production, marketing, and distribution, as au-
16 thorized by the Agricultural Marketing Act of 1946 (7
17 U.S.C. 1621-1627), and other laws, including economics of
18 marketing; analyses relating to farm prices, income and popu-
19 lation, and demand for farm products, use of resources in agri-
20 culture, adjustments, costs and returns in farming, and farm
21 finance; and for analyses of supply and demand for farm
22 products in foreign countries and their effect on prospects
23 for United States exports, progress in economic development
24 and its relation to sales of farm products, assembly and analy-
25 sis of agricultural trade statistics and analysis of interna-

1 tional financial and monetary programs and policies as they
 2 affect the competitive position of United States farm products;
 3 ~~(22)\$14,592,000~~ \$16,228,000: *Provided*, That not less
 4 than \$350,000 of the funds contained in this application shall
 5 be available to continue to gather statistics and conduct a
 6 special study on the price spread between the farmer and
 7 consumer: *Provided further*, That this appropriation shall be
 8 available for employment pursuant to the second sentence of
 9 section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225),
 10 and not to exceed \$75,000 shall be available for employment
 11 under 5 U.S.C. 3109: *Provided further*, That not less than
 12 \$145,000 of the funds contained in this appropriation shall be
 13 available for analysis of statistics and related facts on foreign
 14 production and full and complete information on methods
 15 used by other countries to move farm commodities in world
 16 trade on a competitive basis.

17 STATISTICAL REPORTING SERVICE

18 SALARIES AND EXPENSES

19 For necessary expenses of the Statistical Reporting Serv-
 20 ice in conducting statistical reporting and service work, in-
 21 cluding crop and livestock estimates, statistical coordination
 22 and improvements, and marketing surveys, as authorized by
 23 the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-
 24 1627) and other laws, ~~(23)\$17,746,800~~ \$17,874,800: *Pro-*
 25 *vided*, That no part of the funds herein appropriated shall be

1 available for any expense incident to publishing estimates of
 2 apple production for other than the commercial crop: *Pro-*
 3 *vided further*, That this appropriation shall be available for
 4 employment pursuant to the second sentence of section
 5 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and
 6 not to exceed \$40,000 shall be available for employment
 7 under 5 U.S.C. 3109.

8 CONSUMER AND MARKETING SERVICE

9 CONSUMER PROTECTIVE, MARKETING, AND REGULATORY

10 PROGRAMS

11 For expenses necessary to carry on services related to
 12 consumer protection, agricultural marketing and distribution,
 13 and regulatory programs, other than Packers and Stockyards
 14 Act, as authorized by law, and for administration and coordi-
 15 nation of payments to States; including field employment
 16 pursuant to section 706 (a) of the Organic Act of 1944 (7
 17 under 5 U.S.C. 3109; **(24)** ~~\$149,247,000~~ \$159,247,000,
 18 *of which \$10,000,000 shall be available only for additional*
 19 *grants under the Wholesome Meat Act to those States in*
 20 *which State meat inspection programs have been approved*
 21 *by the Department of Agriculture as equal to Federal inspec-*
 22 *tion and in which, notwithstanding any other provisions of*
 23 *law, carcasses, parts thereof, meat and meat food products*
 24 *prepared under such approved State inspection shall therefore*

1 *be eligible for admission into interstate commerce (25), of*
 2 *which \$1,000,000 shall be placed in reserve to be released*
 3 *only when required to carry out the Wholesale Meat Act:*
 4 *Provided, That this appropriation shall be available pursuant*
 5 *to law (7 U.S.C. 2250) for the alteration and repair of*
 6 *buildings and improvements, but, unless otherwise provided,*
 7 *the cost of altering any one building during the fiscal year*
 8 *shall not exceed \$7,500 or 7.5 per centum of the cost of the*
 9 *building, whichever is greater.*

10 PAYMENTS TO STATES AND POSSESSIONS

11 For payments to departments of agriculture, bureaus and
 12 departments of markets, and similar agencies for marketing
 13 activities under section 204 (b) of the Agricultural Market-
 14 ing Act of 1946 (7 U.S.C. 1623 (b)), (26)\$1,600,000
 15 \$1,750,000.

16 REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES

17 (SECTION 32)

18 Funds available under section 32 of the Act of August
 19 24, 1935 (7 U.S.C. 612c) shall be used only for commodity
 20 program expenses as authorized therein, and other related
 21 operating expenses, except for (1) transfers to the Depart-
 22 ment of the Interior as authorized by the Fish and Wildlife
 23 Act of August 8, 1956; (2) transfers otherwise provided in
 24 this Act; (3) not more than \$3,084,000 for formulation and
 25 administration of marketing agreements and orders pur-

1 suant to the Agricultural Marketing Agreement Act of
2 1937, as amended, and the Agricultural Act of 1961;
3 and (4) in addition to other amounts provided in this Act,
4 not more than \$186,058,000 (including not to exceed \$2,-
5 000,000 for State administrative expenses) for (a) child
6 feeding programs and nutritional programs authorized by
7 law in the School Lunch Act and the Child Nutrition Act,
8 as amended; and (b) additional direct distribution or other
9 programs, without regard to whether such area is under the
10 food stamp program or a system of direct distribution, to
11 provide, in the immediate vicinity of their place of per-
12 manent residence, either directly or through a State or
13 local welfare agency, an adequate diet to other needy chil-
14 dren and low-income persons determined by the Secretary of
15 Agriculture to be suffering, through no fault of their own,
16 from general and continued hunger resulting from insufficient
17 food.

18 FOOD AND NUTRITION SERVICE

19 SPECIAL MILK PROGRAM

20 For necessary expenses to carry out the provisions of
21 the Special Milk Program, as authorized by section 3 of
22 the Child Nutrition Act of 1966 (42 U.S.C. 1772), \$104,-
23 000,000: *Provided*, That this appropriation shall be avail-
24 able only within the limits of amounts authorized by law
25 for fiscal year 1971.

CHILD NUTRITION PROGRAMS

For necessary expenses to carry out the provisions of the National School Lunch Act, as amended (42 U.S.C. 1751-1761 **(27)**; *Public Law 91-248* and the applicable provisions other than section 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C. 1773-1785) **(28)**; *Public Law 91-248*, **(29)**~~\$264,248,000~~ \$476,007,000, of which \$174,033,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) : *Provided*, That of the foregoing total amount there shall be available **(30)**~~\$48,347,000~~ \$204,747,000 for special assistance to needy **(31)**~~schools~~, school children \$12,000,000 for the school breakfast program, **(32)**~~\$17,500,000~~ \$15,000,000 for the nonfood assistance program, **(33)**~~\$750,000~~ \$1,500,000 for State administrative expenses, and \$12,000,000 for special food service programs for children **(34)**~~to remain available until September 30 of the next succeeding fiscal year~~: *Provided further*, That funds provided herein shall remain available until expended in accordance with section 3 of the National School Lunch Act, as amended: *Provided further*, That no part of this appropriation shall be used for nonfood assistance under section 5 of the National School Lunch Act, as amended: *Provided further*, That an additional \$64,325,000 shall be transferred to this appropriation from funds available under section 32 of

the Act of August 24, 1935 (7 U.S.C. 612c), for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act, as amended: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109.

FOOD STAMP PROGRAM

For necessary expenses of the food stamp program pursuant to the Food Stamp Act of 1964, as amended, ~~(35)\$1,250,000,000~~ \$1,750,000,000: *Provided*, That this appropriation shall be available only within the limits of amounts authorized by law for fiscal year 1971.

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$35,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C.

1 1766, ~~(36)\$24,023,000~~ \$24,773,000: *Provided*, That not
 2 less than \$255,000 of the funds contained in this appropria-
 3 tion shall be available to obtain statistics and related facts on
 4 foreign production and full and complete information on
 5 methods used by other countries to move farm commodities
 6 in world trade on a competitive basis: *Provided further*,
 7 That, in addition, not to exceed \$3,117,000 of the funds
 8 appropriated by section 32 of the Act of August 24, 1935,
 9 as amended (7 U.S.C. 612c), shall be merged with this
 10 appropriation and shall be available for all expenses of the
 11 Foreign Agricultural Service.

12 COMMODITY EXCHANGE AUTHORITY

13 SALARIES AND EXPENSES

14 For necessary expenses to carry into effect the provisions
 15 of the Commodity Exchange Act, as amended (7 U.S.C.
 16 1-17b), \$2,552,000.

17 AGRICULTURAL STABILIZATION AND CONSERVATION

18 SERVICE

19 EXPENSES, AGRICULTURAL STABILIZATION AND

20 CONSERVATION SERVICE

21 For necessary administrative expenses of the Agricultural
 22 Stabilization and Conservation Service, including expenses
 23 to formulate and carry out programs authorized by title III
 24 of the Agricultural Adjustment Act of 1938, as amended (7
 25 U.S.C. 1301-1393) ; Sugar Act of 1948, as amended (7
 26 U.S.C. 1101-1161) ; sections 7 to 15, 16 (a), 16 (d), 16 (e),

1 16 (f) , 16 (i) , and 17 of the Soil Conservation and Domestic
 2 Allotment Act, as amended (16 U.S.C. 590g-590q) ; sub-
 3 titles B and C of the Soil Bank Act (7 U.S.C. 1831-1837,
 4 1802-1814, and 1816) ; and laws pertaining to the Com-
 5 modity Credit Corporation, ~~(37)\$152,690,000~~ \$150,000,-
 6 000: *Provided*, That, in addition, not to exceed \$68,779,000
 7 may be transferred to and merged with this appropriation
 8 from the Commodity Credit Corporation fund (including not
 9 to exceed \$30,228,000 under the limitation on Commodity
 10 Credit Corporation administrative expenses) : *Provided fur-*
 11 *ther*, That other funds made available to the Agricultural
 12 Stabilization and Conservative Service for authorized activi-
 13 ties may be advanced to and merged with this appropriation:
 14 *Provided further*, That no part of the funds appropriated or
 15 made available under this Act shall be used (1) to influence
 16 the vote in any referendum; (2) to influence agricultural
 17 legislation, except as permitted in 18 U.S.C. 1913; or (3)
 18 for salaries or other expenses of members of county and com-
 19 munity committees established pursuant to section 8 (b) of
 20 the Soil Conservation and Domestic Allotment Act, as
 21 amended, for engaging in any activities other than advisory
 22 and supervisory duties and delegated program functions pre-
 23 scribed in administrative regulations ~~(38)~~: *And provided fur-*
 24 *ther*, That no funds appropriated by this Act shall be used
 25 to formulate or carry out any price support program (other

1 *than for sugar) under which payments aggregating more than*
2 *\$20,000 under all such programs are made to any person on*
3 *any crop planted in the fiscal year 1971.*

4 SUGAR ACT PROGRAM

5 For necessary expenses to carry into effect the pro-
6 visions of the Sugar Act of 1948 (7 U.S.C. 1011-1161),
7 \$83,600,000, to remain available until June 30 of the next
8 succeeding fiscal year.

9 AGRICULTURAL CONSERVATION PROGRAM

10 For necessary expenses to carry into effect the program
11 authorized in section 7 to 15, 16 (a) and 17 of the Soil Con-
12 servation and Domestic Allotment Act, approved February
13 29, 1936, as amended (16 U.S.C. 590g-590o, 590p (a),
14 and 590q), including not to exceed \$15,000 for the prepa-
15 ration and display of exhibits, including such displays at
16 State, interstate, and international fairs within the United
17 States, \$185,000,000, to remain available until December
18 31 of the next succeeding fiscal year for compliance with
19 the programs of soil-building and soil- and water-conserving
20 practices authorized under this head in the Department of
21 Agriculture and Related Agencies Appropriation Acts, 1969
22 and 1970, carried out during the period July 1, 1968, to
23 December 31, 1970, inclusive: *Provided*, That none of the
24 funds herein appropriated shall be used to pay the salaries
25 or expenses of any regional information employees or any

1 State information employees, but this shall not preclude the
 2 answering of inquiries or supplying of information at the
 3 county level to individual farmers: *Provided further*, That
 4 no portion of the funds for the current year's program may be
 5 utilized to provide financial or technical assistance for drain-
 6 age on wetlands now designated as Wetland Types 3 (III),
 7 4 (IV), and 5 (V) in United States Department of the In-
 8 terior, Fish and Wildlife Circular 39, Wetlands of the United
 9 States, 1956: *Provided further*, That necessary amounts
 10 shall be available for administrative expenses in connection
 11 with the formulation and administration of the 1971 pro-
 12 gram of soil-building and soil- and water-conserving practices,
 13 including related wildlife conserving practices and pollution
 14 abatement practices, under the Act of February 29, 1936, as
 15 amended (amounting to ~~(39)\$495,500,000~~ \$190,000,000,
 16 excluding administration, except that no participant shall re-
 17 ceive more than \$2,500, except where the participants from
 18 two or more farms or ranches join to carry out approved
 19 practices designed to conserve or improve the agricultural
 20 resources of the community) : *Provided further*, That not to
 21 exceed 5 per centum of the allocation for the current year's
 22 agricultural conservation program for any county may, on the
 23 recommendation of such county committee and approval of
 24 the State committee, be withheld and allotted to the Soil Con-

1 servation Service for services of its technicians in formulating
2 and carrying out the agricultural conservation program in the
3 participating counties, and shall not be utilized by the Soil
4 Conservation Service for any purpose other than technical and
5 other assistance in such counties, and in addition, on the rec-
6 ommendation of such county committee and approval of the
7 State committee, not to exceed 1 per centum may be made
8 available to any other Federal, State, or local public agency
9 for the same purpose and under the same conditions: *Pro-*
10 *vided further,* That for the current year's program, \$2,500,-
11 000 shall be available for technical assistance in formulating
12 and carrying out agricultural conservation practices: *Pro-*
13 *vided further,* That such amounts shall be available for the
14 purchase of seeds, fertilizers, lime, trees, or any other farming
15 material, or any soil-terracing services, and making grants
16 thereof to agricultural producers to aid them in carrying out
17 farming practices approved by the Secretary under programs
18 provided for herein: *Provided further,* That no part of any
19 funds available to the Department, or any bureau, office, cor-
20 poration, or other agency constituting a part of such Depart-
21 ment, shall be used in the current fiscal year for the payment
22 of salary or travel expenses of any person who has been con-
23 victed of violating the Act entitled "An Act to prevent
24 pernicious political activities". approved August 2, 1939, as
25 amended, or who has been found in accordance with the pro-

visions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels.

CROPLAND ADJUSTMENT PROGRAM

For necessary expenses to carry into effect a cropland adjustment program as authorized by the Food and Agriculture Act of 1965 (7 U.S.C. 1838), \$77,800,000.

EMERGENCY CONSERVATION MEASURES

For emergency conservation measures, to be used for the same purposes and subject to the same conditions as funds appropriated under this head in the Third Supplemental Appropriation Act, 1957, to remain available until expended, \$5,000,000, with which shall be merged the unexpended balances of funds heretofore appropriated for emergency conservation measures.

(40) INDEMNITY PAYMENTS TO DAIRY FARMERS

For necessary expenses involved in making payments to dairy farmers who have been directed to remove their milk from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, \$500,000: Provided, That none of the funds

1 contained in this Act shall be used to make indemnity pay-
 2 ments to any farmer whose milk was removed from commercial
 3 markets as a result of his willful failure to follow procedures
 4 prescribed by the Federal Government.

5 (41) ~~RURAL COMMUNITY DEVELOPMENT SERVICE~~

6 SALARIES AND EXPENSES

7 For necessary expenses, not otherwise provided for, of
 8 the Rural Community Development Service in providing
 9 leadership and related services in carrying out the rural areas
 10 development activities of the Department, \$230,000: *Pro-*
 11 *vided,* That not to exceed \$3,000 shall be available for em-
 12 ployment under 5 U.S.C. 3109.

13 OFFICE OF THE INSPECTOR GENERAL

14 SALARIES AND EXPENSES

15 For necessary expenses of the Office of the Inspector
 16 General, including employment pursuant to the second sen-
 17 tence of section 706 (a) of the Organic Act of 1944 (7
 18 U.S.C. 2225), and not to exceed \$10,000 for employment
 19 under 5 U.S.C. 3109. (42) ~~\$15,378,000~~ \$12,412,000 (43),
 20 and in addition, not less than \$3,434,000 shall be derived by
 21 transfer from appropriation, "Food Stamp Program" and
 22 merged with this appropriation.

23 PACKERS AND STOCKYARDS ADMINISTRATION

24 SALARIES AND EXPENSES

25 For expenses necessary for administration of the Pack-
 26 ers and Stockyards Act, as authorized by law, including field

1 employment pursuant to section 706 (a) of the Organic Act
2 of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 for
3 employment under 5 U.S.C. 3109, ~~(44)\$3,508,650~~
4 ~~\$3,748,000~~.

5 OFFICE OF THE GENERAL COUNSEL

6 SALARIES AND EXPENSES

7 For necessary expenses, including payment of fees or
8 dues for the use of law libraries by attorneys in the field
9 service, \$5,657,000.

10 OFFICE OF INFORMATION

11 SALARIES AND EXPENSES

12 For necessary expenses of the Office of Information for
13 the dissemination of agricultural information and the co-
14 ordination of informational work and programs authorized
15 by Congress in the Department, \$2,256,000, of which
16 total appropriation not to exceed \$612,000 may be used
17 for farmers' bulletins, which shall be adapted to the in-
18 terests of the people of the different sections of the country,
19 an equal proportion of four-fifths of which shall be available
20 to be delivered to or sent out under the addressed franks
21 furnished by the Senators, Representatives, and Delegates
22 in Congress, as they shall direct (7 U.S.C. 417), and
23 not less than two hundred and thirty-two thousand two
24 hundred and fifty copies for the use of the Senate and House
25 of Representatives of part 2 of the annual report of the

1 Secretary (known as the Yearbook of Agriculture) as au-
 2 thorized by section 73 of the Act of January 12, 1895 (44
 3 U.S.C. 241) : *Provided*, That in the preparation of motion
 4 pictures or exhibits by the Department, this appropriation
 5 shall be available for employment pursuant to the second
 6 sentence of section 706 (a) of the Organic Act of 1944 (7
 7 U.S.C. 2225) , and not to exceed \$10,000 shall be available
 8 for employment under 5 U.S.C. 3109.

9 NATIONAL AGRICULTURAL LIBRARY

10 SALARIES AND EXPENSES

11 For necessary expenses of the National Agricultural
 12 Library, ~~(45)\$3,614,750~~ \$3,914,750: *Provided*, That this
 13 appropriation shall be available for employment pursuant to
 14 the second sentence of section 706 (a) of the Organic Act of
 15 1944 (7 U.S.C. 2225) , and not to exceed \$35,000 shall be
 16 available for employment under 5 U.S.C. 3109: *Provided*
 17 *further*, That not to exceed \$100,000 shall be available pur-
 18 suant to 7 U.S.C. 2250 for the alteration and repair of build-
 19 ings and improvements.

20 OFFICE OF MANAGEMENT SERVICES

21 SALARIES AND EXPENSES

22 For necessary expenses to enable the Office of Man-
 23 agement Services to provide management support services
 24 to selected agencies and offices of the Department of Agri-
 25 culture, ~~(46)\$3,384,000~~ \$3,459,000.

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of Agriculture and for general administration of the Department of Agriculture, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, and not to exceed \$5,000 for employment under 5 U.S.C. 3109, ~~(47)\$5,559,000~~ \$6,058,000: *Provided*, That this appropriation shall be reimbursed from applicable appropriations for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558: *Provided further*, That not to exceed \$2,500 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary~~(48)~~: *Provided further*, That not to exceed \$269,000 of funds contained in the Working Capital Fund established under authority of Public Law 78-129 may be used to carry out responsibilities under the Civil Rights Act of 1964.

TITLE II—CREDIT AGENCIES

RURAL ELECTRIFICATION ADMINISTRATION

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-924), as follows:

1 LOAN AUTHORIZATION

2 For loans in accordance with said Act, and for carrying
 3 out the provisions of section 7 thereof, to be borrowed from
 4 the Secretary of the Treasury in accordance with the pro-
 5 visions of section 3 (a) of said Act, and to remain available
 6 without fiscal year limitation in accordance with section 3 (c)
 7 of said Act, as follows: rural electrification program,
 8 ~~(49)\$322,000,000~~ \$352,000,000, and rural telephone pro-
 9 gram, ~~(50)\$123,800,000~~ \$138,800,000 ~~(51):Provided,~~
 10 That an additional \$20,000,000 is placed in contingency
 11 reserve to be made available by the Bureau of the Budget
 12 on the same terms and conditions to the extent that such
 13 amount is required during the current fiscal year under the
 14 then existing conditions for expeditious and orderly develop-
 15 ment of the rural electrification and rural telephone programs.

16 SALARIES AND EXPENSES

17 For administrative expenses, including not to exceed
 18 \$500 for financial and credit reports, funds for employment
 19 pursuant to the second sentence of section 706 (a) of the
 20 Organic Act of 1944 (7 U.S.C. 2225), and not to exceed
 21 \$150,000 for employment under 5 U.S.C. 3109.
 22 ~~(52)\$14,613,000~~ \$14,896,000.

23 FARMERS HOME ADMINISTRATION

24 DIRECT LOAN ACCOUNT

25 Direct loans and advances under subtitles A and B, and
 26 advances under section 335 (a) for which funds are not

1 otherwise available, of the Consolidated Farmers Home Ad-
 2 ministration Act of 1961 (7 U.S.C. 1921), as amended, may
 3 be made from funds available in the Farmers Home Ad-
 4 ministration direct loan account as follows: real estate loans,
 5 ~~(53)\$83,000,000,~~ \$123,000,000, and operating loans,
 6 \$275,000,000.

7 RURAL HOUSING INSURANCE FUND

8 For direct loans and related advances pursuant to sec-
 9 tion 517 (m) of the Housing Act of 1949, as amended,
 10 ~~(54)\$30,000,000~~ \$19,000,000 shall be available from funds
 11 in the rural housing insurance fund. Hereafter, farmer appli-
 12 cants for direct or insured rural housing loans shall be re-
 13 quired to provide only such collateral security as is required
 14 of owners of nonfarm tracts.

15 For an additional amount for the rural housing insur-
 16 ance fund, as authorized by section 521 (c) of the Housing
 17 Act of 1949 (42 U.S.C. 1490a (c)), \$334,000.

18 RURAL WATER AND WASTE DISPOSAL GRANTS

19 For grants pursuant to sections 306 (a) (2) and 306
 20 (a) (6) of the Consolidated Farmers Home Administra-
 21 tion Act of 1961, as amended (7 U.S.C. 1926), \$100,000,-
 22 000.

23 RURAL HOUSING FOR DOMESTIC FARM LABOR

24 For financial assistance to public nonprofit organizations
 25 for housing for domestic farm labor, pursuant to section 516

1 of the Housing Act of 1949, as amended (42 U.S.C. 1486),
 2 \$2,500,000, to remain available until expended.

3 MUTUAL AND SELF-HELP HOUSING

4 For grants pursuant to section 523 (b) (1) (A) of the
 5 Housing Act of 1949 (42 U.S.C. 1490c), ~~(55)\$2,125,000~~
 6 \$775,000, to remain available until expended.

7 SELF-HELP HOUSING LAND DEVELOPMENT FUND

8 For direct loans pursuant to section 523 (b) (1) (B) of
 9 the Housing Act of 1949 (42 U.S.C. 1490c) and related
 10 advances, ~~(56)\$1,000,000~~ \$400,000, to remain available
 11 until expended.

12 SALARIES AND EXPENSES

13 For necessary expenses of the Farmers Home Adminis-
 14 tration, not otherwise provided for, in administering the pro-
 15 grams authorized by the Consolidated Farmers Home Ad-
 16 ministration Act of 1961 (7 U.S.C. 1921-1991), as
 17 amended, title V of the Housing Act of 1949, as amended
 18 (42 U.S.C. 1471-1490c, 83 Stat. 399), the Rural Rehabili-
 19 tation Corporation Trust Liquidation Act, approved May 3,
 20 1950 (40 U.S.C. 440-444), and for carrying out the re-
 21 sponsibilities of the Secretary of Agriculture under sections
 22 235 and 236 of the National Housing Act, as amended (12
 23 U.S.C. 1715z-1715z-1), and section 701 of the Housing
 24 Act of 1954, as amended (40 U.S.C. 461), ~~(57)\$81,500,-~~
 25 ~~000~~ \$87,250,000, together with not more than ~~(58)\$3,250,-~~

1 ~~000~~ \$2,250,000 of the charges collected in connection with
 2 the insurance of loans as authorized by section 309 (e) of the
 3 Consolidated Farmers Home Administration Act of 1961, as
 4 amended, and sections 514 (b) (3) and 517 (i) of the Housing
 5 Act of 1949, as amended(59),—of which not more than
 6 \$250,000 shall be available for the administration of Public
 7 Law 91-229: *Provided*, That, in addition, not to exceed
 8 \$500,000 of the funds available for the various programs
 9 administered by this agency may be transferred to this appro-
 10 priation for temporary field employment pursuant to the
 11 second sentence of section 706 (a) of the Organic Act of 1944
 12 (7 U.S.C. 2225) to meet unusual or heavy workload in-
 13 creases: *Provided further*, That no part of any funds in this
 14 paragraph may be used to administer a program which makes
 15 rural housing grants pursuant to section 504 of the Housing
 16 Act of 1949, as amended.

17 TITLE III—CORPORATIONS

18 The following corporations and agencies are hereby
 19 authorized to make such expenditures, within the limits of
 20 funds and borrowing authority available to each such corpora-
 21 tion or agency and in accord with law, and to make such
 22 contracts and commitments without regard to fiscal year
 23 limitations as provided by section 104 of the Government
 24 Corporation Control Act, as amended, as may be necessary

1 in carrying out the programs set forth in the budget for the
 2 current fiscal year for such corporation or agency, except
 3 as hereinafter provided:

4 FEDERAL CROP INSURANCE CORPORATION

5 ADMINISTRATIVE AND OPERATING EXPENSES

6 For administrative and operating expenses, \$12,000,000.

7 FEDERAL CROP INSURANCE CORPORATION FUND

8 Not to exceed \$2,335,000 of administrative and operat-
 9 ing expenses may be paid from premium income.

10 COMMODITY CREDIT CORPORATION

11 REIMBURSEMENT FOR NET REALIZED LOSSES

12 To reimburse the Commodity Credit Corporation for net
 13 realized losses sustained in prior years but not previously
 14 reimbursed, pursuant to the Act of August 17, 1961 (15
 15 U.S.C. 713a-11, 713a-12), in the following amounts:
 16 fiscal year 1968, \$249,998,669; fiscal year 1969, ~~(60)\$2,-~~
 17 ~~863,156,331~~ \$3,113,156,331; in total, ~~(61)\$3,113,155,000~~
 18 \$3,363,155,000: *Provided*, That no funds appropriated by
 19 this Act shall be used to formulate or administer programs for
 20 the sale of agricultural commodities pursuant to title I of
 21 Public Law 480, 83d Congress, as amended to any nation
 22 which sells or furnishes or which permits ships or aircraft
 23 under its registry to transport to North Vietnam any equip-
 24 ment, materials or commodities, so long as North Vietnam is
 25 governed by a Communist regime.

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed \$36,500,000 shall be available for administrative expenses of the Commodity Credit Corporation:

Provided, That \$945,000 of this authorization shall be available only to expand and strengthen the sales program of the Corporation pursuant to authority contained in the Corporation's charter: *Provided further*, That not less than 7 per centum of this authorization shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof.

PUBLIC LAW 480

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, as amended (7

1 U.S.C. 1701-1710, 1721-1725, 1731-1736d), to remain
 2 available until expended, as follows: (1) sale of agricultural
 3 commodities for foreign currencies and for dollars on credit
 4 terms pursuant to title I of said Act, \$411,100,000; and
 5 (2) commodities supplied in connection with dispositions
 6 abroad, pursuant to title II of said Act, \$291,400,000.

7 BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

8 For unrecovered prior years' costs related to strategic
 9 and other materials acquired as a result of barter or exchange
 10 of agricultural commodities or products and transferred to the
 11 supplemental stockpile pursuant to the Act of May 28, 1956,
 12 as amended (7 U.S.C. 1856), \$25,000, to remain available
 13 until expended.

14 TITLE IV—RELATED AGENCIES

15 FARM CREDIT ADMINISTRATION

16 LIMITATION ON ADMINISTRATIVE EXPENSES

17 Not to exceed (62)~~\$4,054,000~~ \$4,226,000 (from
 18 assessments collected from farm credit agencies) shall be
 19 obligated during the current fiscal year for administrative
 20 expenses, including the hire of one passenger motor vehicle.

21 TITLE V—GENERAL PROVISIONS

22 SEC. 501. Within the unit limit of cost fixed by law,
 23 appropriations and authorizations made for the Department
 24 under this Act shall be available for the purchase, in addition
 25 to those specifically provided for, of not to exceed six hun-

1 dred and sixty-two (662) passenger motor vehicles, of
2 which four hundred and fifty-six (456) shall be for replace-
3 ment only, and for the hire of such vehicles.

4 SEC. 502. Provisions of law prohibiting or restricting
5 the employment of aliens shall not apply to employment
6 under the appropriation for the Foreign Agricultural Service.

7 SEC. 503. Funds available to the Department of Agricul-
8 ture shall be available for uniforms or allowances therefor
9 as authorized by law (5 U.S.C. 5901-5902).

10 SEC. 504. No part of the funds appropriated by this Act
11 shall be used for the payment of any officer or employee of
12 the Department who, as such officer or employee, or on
13 behalf of the Department or any division, commission, or
14 bureau thereof, issues, or causes to be issued, any prediction,
15 oral or written, or forecast, except as to damage threatened
16 or caused by insects and pests, with respect to future prices
17 of cotton or the trend of same.

18 SEC. 505. Except to provide materials required in or
19 incident to research or experimental work where no suitable
20 domestic product is available, no part of the funds appro-
21 priated by this Act shall be expended in the purchase of
22 twine manufactured from commodities or materials produced
23 outside of the United States.

24 SEC. 506. Not less than \$1,500,000 of the appropriations
25 of the Department for research and service work authorized

1 by the Acts of August 14, 1946, July 28, 1954, and Sep-
2 tember 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C.
3 1891-1893), shall be available for contracting in accordance
4 with said Acts.

5 SEC. 507. No part of any appropriation contained in this
6 Act shall remain available for obligation beyond the current
7 fiscal year unless expressly so provided herein.

8 This Act may be cited as the "Department of Agricul-
9 ture and Related Agencies Appropriation Act, 1971".

Passed the House of Representatives June 9, 1970.

Attest:

W. PAT JENNINGS,

Clerk.

Passed the Senate with amendments July 9, 1970.

Attest:

FRANCIS R. VALEO,

Secretary.

91ST CONGRESS
2^D SESSION

H. R. 17923

AN ACT

Making appropriations for the Department of
Agriculture and related agencies for the fis-
cal year ending June 30, 1971, and for other
purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 9, 1970

Ordered to be printed with the amendments of the
Senate numbered

within ten days notify the Secretary of any loss, theft, or destruction of the firearm, and, after such notice, of any recovery.

"(f) A licensed dealer shall not sell ammunition to a person for use in a firearm required to be registered without either (1) requiring the purchaser to exhibit a certificate of registration or temporary evidence of registration of a firearm which uses such ammunition, and noting the certificate number or date of the temporary evidence of registration on the records required to be maintained by the dealer pursuant to section 923(d) of this title, or (2) ascertaining and recording that the ammunition is for use in a firearm that is not required to be registered under Federal or State law.

"§ 935. Penalties

"(a) Whoever violates a provision of section 932 or 934 shall be punished by imprisonment not to exceed two years, or by a fine not to exceed \$2,000, or both.

"(b) Whoever knowingly falsifies any information required to be filed with the Secretary pursuant to this chapter, or forges or alters any certificate of registration or temporary evidence of registration, shall be punished by imprisonment not to exceed five years or a fine not to exceed \$10,000, or both.

"(c) Except as provided in subsection (b), no information or evidence obtained from an application or certificate of registration required to be submitted or retained by a natural person in order to comply with any provision of this chapter or regulations issued by the Secretary shall be used as evidence against that person in a criminal proceeding with respect to a violation of law occurring prior to or concurrently with the filing of the application for registration containing the information or evidence.

"§ 936. Disposition of firearms to Secretary

"(a) The Secretary is authorized to pay reasonable value for firearms voluntarily relinquished to him.

"(b) A person who lawfully possessed a firearm prior to the operative effect of any provision of this title, and who is ineligible to possess such firearm by virtue of such provision, shall receive reasonable compensation for the firearm if surrendered to the Secretary.

"§ 937. Rules and regulations; periods of amnesty

"The Secretary may prescribe such rules and regulations as he deems reasonably necessary to carry out the provisions of this chapter, including reasonable requirements for the marking of firearms that do not have serial numbers, and may declare periods of amnesty for the registration of firearms.

"§ 938. Disclosure of information

"Information contained on any certificate of registration or application therefor shall not be disclosed except to the National Crime Information Center established by the Federal Bureau of Investigation, and to law enforcement officers requiring such information in pursuit of their official duties.

"§ 939. Assistance to Secretary

"When requested by the Secretary, Federal departments and agencies shall assist the Secretary in the administration of this title."

TITLE II—LICENSING

SEC. 201. Chapter 44 of title 18, United States Code, is amended by inserting after section 923 the following new section:

"§ 923A. State permit system; Federal gun licenses

"(a) The Secretary shall determine which States or political subdivisions of States have adequate permit systems for the possession of firearms and shall publish in the Federal Register the names of such States and political subdivisions.

"(b) An adequate permit system shall include provision for—

"(1) identification of the permit holder appearing on the permit, including name, address, age, and signature or photograph;

"(2) restrictions on issuance of a permit to a person who is under indictment or who has been convicted in any court of a crime punishable by imprisonment for a term exceeding one year, or who is a fugitive from justice;

"(3) restrictions on issuance of a permit to a person who, by reason of age, mental condition, alcoholism, drug addiction, or previous violations of firearms laws cannot be relied upon to possess or use firearms safely and responsibly;

"(4) means of investigation of applicants for permits to determine their eligibility under subparagraphs (2) and (3);

"(5) prohibition of possession of firearms or ammunition by any person who has not been issued such a permit; and

"(6) revocation of a permit issued to a person who subsequently becomes ineligible under subparagraph (2).

"(c) After September 1, 1970, it shall be unlawful for any person to sell or otherwise transfer any firearm or ammunition to any person (other than a licensed importer, licensed manufacturer, or licensed dealer) unless—

"(1) the sale or transfer is not prohibited by any other provision of this chapter; and

"(2) the purchaser or transferee exhibits a valid permit issued to him by a State or political subdivision having an adequate permit system, or the purchaser or transferee exhibits a valid Federal gun license issued in accordance with subsections (d) and (e).

"(d) A licensed dealer shall issue a Federal gun license to a person eighteen years of age or over upon presentation of:

"(1) a valid official document of identification (such as driver's permit or selective service certificate) issued by the United States, a State, or political subdivision thereof; and

"(2) a statement signed by the person in a form to be prescribed by the Secretary, that he is eighteen years of age or over, that he has never been committed in an institution by a court of the United States or a court of any State or political subdivision thereof on the ground that he was an alcoholic, a drug addict, or mentally ill or incompetent, that he is not under indictment, has not been convicted in any court of a crime punishable by imprisonment for a term exceeding one year, is not a fugitive from justice, and is not otherwise prohibited by any provision of Federal, State, or local law from possessing firearms or ammunition; such statement may include such additional information regarding the applicant, including without limitation, birth date and place, sex, height, weight, eye and hair color, and present and previous residences as the Secretary shall by regulation prescribe.

"(e) Federal gun licenses shall be issued in such form as the Secretary may prescribe, and shall be valid for a period of five years. A dealer shall maintain a record of all licenses issued by him as part of the records required to be maintained by section 923 of this chapter, and shall forward to the Secretary the documents described in subparagraphs (d) (2) through (d) (3) of this section.

"(f) Any person denied a Federal gun license under subsection (d) may apply directly therefor to the Secretary in the manner prescribed by regulation of the Secretary.

"(g) Unless otherwise prohibited by this chapter, a licensed dealer may ship or deliver a firearm or ammunition to a person only if the dealer confirms that the purchaser has been issued a valid permit issued pursuant to an adequate State or local permit system, a Federal gun license, or a Federal dealer's license, and notes the number of such permit or license in the records re-

quired to be kept by section 923 of this chapter.

"(h) After September 1, 1971, no person may possess a firearm or ammunition without a valid State or local permit, if he is a resident of a State or locality having an adequate permit system, or a Federal gun license: *Provided*, That a person not a resident of a State or locality having an adequate permit system, who is ineligible for a Federal gun license solely by reason of age may receive a firearm or ammunition for occasional, brief, and lawful recreational uses.

"(i) Determinations of adequate permit systems under this section or adequate registration systems under section 933 and denials by the Secretary of Federal gun licenses shall not be subject to the provisions of chapter 5, title 5, United States Code, but shall be reviewable de novo pursuant to chapter 7, title 5, United States Code, in an action instituted by any person, State, or political subdivision adversely affected.

"(j) It shall be unlawful for any person willfully to fail to deliver a valid Federal gun license to the Secretary if such person has been issued such license and subsequently is placed under indictment, convicted in any court of a crime punishable by imprisonment for a term exceeding one year, a fugitive from justice, committed to an institution by any court on the ground that he was an alcoholic, a narcotics addict, or mentally incompetent, or otherwise prohibited by any provision of Federal, State, or local law from possessing firearms and ammunition.

"(k) It shall be unlawful for any person willfully to convey or otherwise furnish to another person a Federal gun license which has been issued to himself, or to a third person, in order to evade or obstruct the provisions of this chapter.

"(l) It shall be unlawful to knowingly and willfully make a false statement or representation in connection with any application for a Federal gun license."

SEC. 202. The analysis of chapter 44 of title 18, United States Code, is amended by inserting immediately after the following:

"923. Licensing."

"923A. State permit systems; Federal gun licenses."

TITLE III—GENERAL PROVISIONS

SEPARABILITY

SEC. 301. If the provisions of any part of this Act or any amendments made thereby or the application thereof to any person or circumstances be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

EFFECT ON STATE LAW

SEC. 302. No provision of this Act shall be construed as indicating an intent on the part of the Congress to occupy the field in which such provision operates to the exclusion of the law of a State or possession or political subdivision thereof, on the same subject matter, or to relieve any person of any obligation imposed by any law of any State, possession, or political subdivision thereof.

RELIEF FROM DISABILITIES

SEC. 303. Notwithstanding the provisions of section 923A(d) (2), a licensed dealer shall issue a Federal gun license to a person who otherwise qualifies under that section but has been convicted of a crime punishable by imprisonment for a term exceeding one year or has been committed to an institution by a court on the ground that he was an alcoholic, a drug addict, or mentally ill or incompetent, if that person displays a document in writing from the chief law enforcement officer of his State or residence of specifically authorizing that person to obtain such license.

EFFECTIVE DATE

SEC. 304. The provisions of titles IV and V of this Act shall become effective one year after the dates of its enactment.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1971

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the unfinished business.

The ACTING PRESIDENT pro tempore. The bill will be stated by the title for the information of the Senate.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 17923) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to amendment No. 766 of the Senator from Wisconsin (Mr. NELSON) and others.

Mr. HOLLAND. Mr. President, I yield myself 2 minutes on the bill.

The ACTING PRESIDENT pro tempore. The Senator from Florida is recognized for 2 minutes.

Mr. HOLLAND. Mr. President, I ask unanimous consent to have printed in the RECORD a letter written by the chairman of the House Committee on Agriculture, the distinguished Representative from Texas, Mr. POAGE, published in the Washington Post this morning, entitled "Representative POAGE on Helping the Hungry."

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

REPRESENTATIVE POAGE ON HELPING THE HUNGRY

The article on your editorial page of June 29 entitled "Hunger: Yesterday's Crisis, Today's Yawn" by Colman McCarthy is an example of such inaccurate reporting that I feel I should not let it go unchallenged for fear my failure to respond might be taken as acceptance of the truth of the allegations therein.

The first Food Stamp Program originated with the Agriculture Committee of the House in the late 1930s, and it was also this committee that wrote the present program which is based on the 1964 act. I have always supported the program. I believe it is an effective way of providing food assistance for needy people.

I do not believe it is a proper vehicle for the solution of all of our social assistance problems. I recognize that there are those who think that food stamps without cost to the recipient should be used to provide not only food but clothing, shelter, furniture and medical services, and some would go far enough to provide them not only to those who need them but to all of those who want them without any show of need or any requirement of self-help whatever.

In the final analysis I think this is the crux of the disagreement on this issue. I personally believe, and a substantial majority of our committee has believed and still believes, that food stamps should be used to supplement, not substitute for, the normal buying power of low income families. We believe it is still desirable for those who can do so to work in order to support themselves and their families. We believe that the bill our committee has approved provides a fair test in this respect. It reads:

"(c) Notwithstanding any other provisions of law, the Secretary shall include in

the uniform national standards of eligibility to be prescribed under subsection (b) of this section a provision that each State agency shall provide that a household shall not be eligible for assistance under this Act if it includes an able-bodied adult person between the ages of 18 and 65 (except mothers or other members of the household who have the responsibility of care of dependent children or of incapacitated adults or who are bona fide students in any accredited school or training program) who either (a) fails to register for employment at a State or Federal employment office or, when impractical, at such other appropriate State or Federal office designated by the Secretary, or (b) has refused to accept employment or public work at not less than the higher of State or Federal minimum wage established by a valid regulation of any agency of the Federal Government authorized by existing law to establish such regulation. Refusal to work at a struck plant or site for the duration of a strike shall not be deemed to be a refusal to accept employment."

This is known as the Poage amendment. You will note that it does not deny food stamps to anyone who is making a sincere effort to help himself; it does not require anyone to become a strikebreaker. On the other hand, unlike the Family Assistance Act, it requires recipients to actually work if offered a job rather than to simply "register for work." This is the whole basic reason for criticism of the Agriculture Committee. We are not trying to starve anybody, but we are trying to maintain a concept of work in America.

Our bill rather than trying to limit any needed aid authorizes unlimited appropriations for the Food Stamp Program. There has been no disposition on the part of the Committee on Agriculture to deny whatever funds are necessary to supplement the income of needy people. We simply haven't had the kind of press that the Senate Select Committee on Nutrition and Human Needs has had, nor have we at any time stood in the way of adequate financing, as has been suggested. On the contrary, it was the Agriculture Committee of the House which last fall (H.J. Res. 934 was reported by our committee on Oct. 8, 1969, and passed the House Nov. 5) brought out a bill to more than double the 1970 authorization for food stamps. Our committee authorized every dollar the Secretary of Agriculture said he could spend, and we did it without any delay and, incidentally, without any favorable publicity from The Washington Post.

The Food Stamp Program is not coming to an end the first of July. On the contrary, the Agriculture Committee, which Mr. McCarthy so roundly abuses, does not object to the passage of a continuing resolution which will authorize the expenditure at the full requested rate of \$1.250 billion a year for the next several months.

Finally, Mr. McCarthy repeats the statement which has been made by a good many self-appointed advocates of food stamps, that our committee has somehow or another tied the Food Stamp Bill to the Farm Bill, and that the two will be brought in as one bill. This approach has been discussed—there is frankly some logic to keeping the production and distribution of farm products in the same legislation—but approximately a month ago the committee members at my suggestion agreed that we would bring the farm bill to the floor without including the food stamp provisions, and that the food stamp provisions would be brought in as a separate bill. This may or may not be a sound decision, but it is certainly quite different from the decisions reported by Mr. McCarthy. If his reporting of the historic facts is not more accurate than this indicates, it seems to me that his reporting of the reasons and philosophies which have mo-

tivated the various members of our committee may be just as inaccurate.

Mr. McCarthy winds up his article with reference to a kid who had no breakfast, lunch or dinner. The Agriculture Committee provided the first school lunches (this program was later taken over by another committee). The Agriculture Committee originated the School Breakfast Program. The Agriculture Committee originated the Special Milk Program and the Food Stamp Program to help on that kid's dinner. Can any of the Senate committees which have so loudly proclaimed themselves patrons of all of the poor and the hungry point to a record of having done so much for those who need help in America?

W. R. POAGE,

Chairman, House Committee on Agriculture.
WASHINGTON.

Mr. HOLLAND. Mr. President, I invite attention particularly to the fact that the point made by the distinguished Senator from Louisiana, the distinguished Senator from Nebraska, and myself, on yesterday, that we would have no difficulty with the House in taking care of a program of \$1.25 billion for whatever time would be necessary until the authorization bill on the food stamps could be considered and passed, is amply borne out in this letter.

Let me read part of it:

The Food Stamp Program is not coming to an end the first of July. On the contrary, the Agriculture Committee, which Mr. McCarthy so roundly abuses, does not object to the passage of a continuing resolution which will authorize the expenditure at the full requested rate of \$1.250 billion a year for the next several months.

Mr. President, there is no doubt about it, we were on completely sound and accurate ground yesterday, although we did not have this information directly from Representative POAGE at that time, to the effect that if the \$1,250 million provided in both the House and Senate bills were left intact, there would be no trouble in getting quick, emergency legislation through, taking care of the expenditures at that basis until the food stamp bill is passed.

Mr. President, let me state that other portions of this letter justify the statements made on the floor yesterday by the Senator from Louisiana, the Senator from Nebraska and myself, to the effect that philosophical differences between the Senate bill as passed last September and the approach of the House committee is so great, as shown by Representative POAGE's letter, as to indicate a long-time debate in conference before there will be any passage of a bill on the food stamp subject. It also indicates that there does not seem to be any probability of early consideration of such a bill by the House of Representatives.

The PRESIDING OFFICER (Mr. ALLEN). Who yields time?

Mr. MATHIAS. Mr. President, I have an amendment I should like to send to the desk.

Mr. HOLLAND. Mr. President, I believe that the Senator from Wisconsin (Mr. NELSON) offered an amendment yesterday and I therefore ask unanimous consent that it be temporarily laid aside so that the Senator from Maryland (Mr. MATHIAS) may present his amendment.

The PRESIDING OFFICER (Mr. ALLEN). Is there objection to the request of

the Senator from Florida? The Chair hears none, and it is so ordered.

Mr. MATHIAS. Mr. President, I send to the desk my amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT LEGISLATIVE CLERK. On page 17, line 14, strike out "\$149,247,000" and insert in lieu thereof the following:

\$159,247,000, of which \$10,000,000 shall be available only for additional grants under the Wholesome Meat Act to those states in which state meat inspection programs have been approved by the Department of Agriculture as equal to Federal inspection and in which, notwithstanding any other provisions of law, carcasses, parts thereof, meat and meat food products prepared under such approved state inspection shall therefore be eligible for admission into interstate commerce.

Mr. MATHIAS. Mr. President, first let me express my appreciation to the distinguished Senator from Florida for his consideration in making it possible for me to bring up my amendment at this time.

Mr. President, there is nothing more important to the consuming public than the availability of a supply of wholesome, healthy food products.

Meat is a very important staple in the American diet. The Federal Meat Inspection Service has rendered an enormously valuable and useful service to the American people for many years in providing federally inspected meat plants for meat products which are sold in interstate commerce.

There has been a secondary benefit from the work of the Federal Meat Inspection Service, in that it has established a benchmark, or a standard for sanitary conditions and proper ways by which meat is processed, packed and shipped.

One of the helpful byproducts of this Service is the fact that many States which still have jurisdiction over plants for packing and processing meat for intrastate shipment have now sought to raise their standards to the levels which have been established in federally inspected meat plants.

The result of this is, there is a larger supply of more wholesome meat products available to the entire country. This is a byproduct which I think is to be encouraged. It provides a wider source of healthy food for the consumer. It provides a wider market to the farmer for the meat he sells.

In recent years, the effort to bring the State inspection standard up to the level of the Federal Meat Inspection Service has been predicated on the fact that meat, given exactly the same treatment in a State inspected plant, at the same level of sanitation and at the same level of proper processing, should therefore gain entry into the interstate market. Many of the small businessmen of America engaged in this business have made substantial investments in upgrading their own plants in anticipation that, having achieved a higher standard, they will be allowed to participate in the broader market.

It seems to me that it is reasonable and fair, if their products are as good, that they should receive the same treat-

ment as products already in the interstate markets.

Therefore, Mr. President, I have introduced this amendment which has the dual, perhaps we might say the triple purpose of encouraging the States to raise their levels of State inspection in meat processing and packing plants, to the point that they are at least equal with Federal standards.

This is done, first, by making available the additional sum provided in the amendment, to be appropriately granted by the Secretary of Agriculture to the States which have so upgraded their standards.

Second, it will encourage the individual businessman to make the investment and the effort to upgrade his operation so that his products are, indeed, entitled to be marketed in interstate commerce, because they are in fact equal in every respect to the plants which are federally inspected.

Third, as I have said before, we hereby give the public a larger supply and a larger source for wholesome food. We give the farmer a wider market for his product. Perhaps by so doing, we may even have some impact on the astronomical price of some meat products which we encounter in the food markets of America today.

Mr. President, I respectfully urge that the Senate agree to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maryland.

Mr. HOLLAND. Mr. President, I yield myself 3 minutes. I will then yield whatever time he requires to the distinguished Senator from Nebraska whom I shall call, among other things, the meat expert of our subcommittee.

The PRESIDING OFFICER. The Senator from Florida is recognized for 3 minutes.

Mr. HOLLAND. Mr. President, certainly the Senator from Nebraska knows much more about the subject than I do. I do know, however, that three States have already been declared by the Federal Government to have inspection systems that are at least equal to the Federal inspection. Those States happen to be the State of Maryland, State of California, and the State of Florida.

I do know that we are expecting other States to come into that classification by the end of the year. Every effort is being made by many States to match the Federal standard. I am told that as yet no really satisfactory arrangement has been reached to allow the meat so inspected—and all of this is done under the ultimate supervision of Federal inspection because they must see that the Federal standard is maintained—to allow that meat to move into interstate commerce.

So, I, personally, am perfectly willing to leave the decision of this subject to my distinguished friend, the Senator from Nebraska (Mr. HRUSKA), who has a much closer grasp on the subject matter than I do.

I yield to the Senator from Nebraska such time as he may require.

Mr. HRUSKA. Mr. President, may I have 5 minutes?

Mr. HOLLAND. Mr. President, I yield 5 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 5 minutes.

Mr. HRUSKA. Mr. President, we are all interested in the Wholesome Meat Act that was enacted some time ago. It is in the process of getting a little momentum. As has been indicated by the Senator from Florida, after a conference with the chairman of the subcommittee, it would be my disposition to accept this amendment and take it to conference and discuss it there in the light of these factors.

We would have preferred that the matter had been submitted to us in subcommittee and later in committee so that we would give it a much broader and thorough study. However, even a short study of it would indicate that it would perhaps pave the way for those States that will come into the program.

If the allowance of this money, or some portion of it, by the committee will do that job, it should go forward, in my judgment.

I would suggest, if the chairman of the subcommittee still concurs, that we accept the amendment with the justification that is given by the Senator from Maryland along with any additional material he might want to give us and any additional material we might obtain from the Department so that we can make our presentation to the conference on the merits of the proposal.

Mr. HOLLAND. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Florida is recognized for 1 minute.

Mr. HOLLAND. Mr. President, I am completely willing to follow the advice and the suggestion of my distinguished friend, the Senator from Nebraska, and to accept the amendment with the distinct understanding—and I am talking now particularly of the State of Maryland—that we shall have to be governed in the conference by the facts as they are shown to us and by the prospects as they are shown to us for the admission of other States into the same status that these three that have already been found to have achieved; namely, having an inspection service at least equal to that of the Federal service.

I think it is a worthy program for us to look ahead to, and I will be glad to take the amendment to conference under that understanding and with the advice of the distinguished Senator from Nebraska.

Mr. HRUSKA. Mr. President, I am grateful to the chairman for his understanding attitude in this matter. I do think that it will keep more options open in the field in which we are all vitally interested. To that extent, we owe some appreciation to the Senator from Maryland for calling the matter to our attention.

The PRESIDING OFFICER (Mr. ALLEN). The question is on agreeing to the amendment of the Senator from Maryland.

The amendment was agreed to.

AMENDMENT NO. 766

The PRESIDING OFFICER (Mr. ALLEN). The question recurs on the

amendment offered by the Senator from Wisconsin (Mr. NELSON).

Who yields time?

Mr. NELSON. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 5 minutes.

Mr. NELSON. I ask unanimous consent that the Senator from Texas (Mr. YARBOROUGH) be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Mr. President, the amendment, totaling \$4.5 million, consists of three basic parts. First, it provides that \$2.165 million shall be added to the budget for the establishment of a research and development fund to implement pilot programs of testing and evaluating biological control techniques in the field.

The second part would provide \$1.5 million for a field test aimed at the eradication of the cotton boll weevil.

The third part covers new research projects and totals \$835,000.

These proposals are aimed at applying the research that has already been done to eliminate insects by biological means without the use of pesticides or with a substantial reduction in the use of pesticides and are also directed at developing new research techniques for the biological control and elimination of various kinds of detrimental pests.

Mr. President, I ask unanimous consent that a summary of the programs

supported by the \$4.5 million be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

Programs to be funded

FIELD TEST PROJECT

Establishment of a research and development fund to implement pilot programs testing and evaluating biological control techniques in the field. Arizona, California, Florida, Georgia, Hawaii, Illinois, Kansas, Maine, Oklahoma, Washington, Wisconsin.....	\$2,165,000
Eradication of the cotton boll weevil against which 45% of all DDT is used.....	1,500,000

Total funds for field test projects	3,655,000
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NEW RESEARCH PROJECTS

Research on biological control of citrus fruit insects Orlando, Fla.....	\$165,000
Research on biological control of tropical fruit flies Miami, Fla.....	165,000
Research on development of hormones to disrupt insect growth Beltsville, Md.....	165,000
Research on biological control of grain sorghum insects, Stillwater, Okla.	110,000
Research on the use of sterile males, attractants and other biological controls of cotton insects, Phoenix, Ariz.....	110,000
Research on the control of horse parasites by nonchemical means Beltsville, Md.....	60,000
Research on the use of harmless insects for the control of water	

weeds, Fort Lauderdale, Fla..... \$60,000

Total funds for new research projects	835,000
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Mr. NELSON. Mr. President, the field testing part of the amendment involves \$2,165,000. It is aimed at taking the research that has already been completed in the laboratory out in the field to determine whether the various methods of biological control of insects that appear to be feasible in the laboratory are practical in the field.

An example of a typical project to be covered by these funds is a Japanese beetle control program using sterile insect releases and attractants over 5,000 acres during a 3-year period. This would be conducted in Illinois and Georgia, and would cost \$200,000 annually.

Another project would be directed at the control of the cabbage looper with light traps and sex attractants over 2,000 square miles in Arizona. This is a 3-year program costing \$300,000 in the first year and \$100,000 during the second and third years.

Mr. President, I ask unanimous consent that a summary of these projects and the other field trials be printed in full at this point in the RECORD. It involves pilot tests in Illinois, Georgia, Arizona, Washington, Florida, the Virgin Islands, Kansas, Oklahoma, Washington, Maine, Wisconsin, California, and Hawaii.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Insect	Control or eradication techniques to be evaluated	Size of pilot test area	Duration of test	Estimated annual cost
Japanese beetle.....	Sterile insect releases and attractants.....	5,000 acres, Illinois, 6 acres.....	3 years.....	\$200,000.
Cabbage looper.....	Light traps plus synthetic sex pheromone.....	2,000 square miles, Area 12.....	do.....	\$300,000 1st year, \$100,000 2d and 3d.
Codling moth.....	Production and release of sterile insects.....	5,000 acres, Washington.....	2 years.....	\$600,000.
Caribbean fruit fly.....	Integrated program of bait sprays and sterile fly releases.....	100 square miles, Florida.....	do.....	\$200,000.
Sugarcane borer.....	Production and release of parasites.....	5,000 acres, Virgin Islands.....	do.....	\$100,000.
Pea aphids on alfalfa and field peas.....	do.....	15,000 acres, Washington.....	3 years.....	\$100,000 1st year, \$50,000 next 2 years.
Greenbug (aphids) on sorghum.....	do.....	20,000 acres, Kansas, Oklahoma.....	do.....	\$100,000 1st year, \$50,000 next 2 years.
Green peach aphid.....	Control of overwintered aphid forms on host plants.....	500-square-mile area, Washington, Maine.....	do.....	\$100,000.
Do.....	Elimination of Canada plum overwintering host.....	1,200 square miles.....	5 years.....	\$100,000 1st, 2d, and \$50,000 next 3 years.
Lesser peach tree borer, codling moth, red banded leaf roller.....	Sex attractants, virgin female moths.....	25 square miles, Washington Island, Wis.....	3 years.....	\$200,000.
Apple maggot.....	Attractants and release of sterile insects.....	do.....	do.....	\$75,000.
Horn fly.....	Sterile male, integrated control.....	200 square miles (10,000 cattle), California, Hawaii.....	2 years.....	\$100,000.

Mr. NELSON. Mr. President, another part of the program supported by this amendment includes \$835,000 and involves a series of new research projects as follows:

New research projects

Research on biological control of citrus fruit insects, Orlando, Fla.....	\$165,000
Research on biological control of tropical fruit flies, Miami, Fla.....	165,000
Research on development of hormones to disrupt insect growth, Beltsville, Md.....	165,000
Research on biological control of grain sorghum insects, Stillwater, Okla.	110,000
Research on the use of sterile males, attractants and other biological controls of cotton insects, Phoenix, Ariz.....	110,000
Research on the control of horse parasites by nonchemical means, Beltsville, Md.....	60,000
Research on the use of harmless in-	

sects for the control of water weeds, Ft. Lauderdale, Fla..... \$60,000

Total funds for new research projects	\$60,000
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Mr. NELSON. Mr. President, the total amount involved with the field testing and new research projects is \$4.5 million.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. NELSON. Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator is recognized for an additional 5 minutes.

Mr. NELSON. Mr. President, the overall objective of these programs is the development of methods and techniques for destroying insects that are pests on food crops and on forests without the use of chemical pesticides, including the

long list of chlorinated hydrocarbons, headed by the best-known one, DDT.

The urgent necessity for continuing these programs and expanding them rapidly is the knowledge now that the environment worldwide has been disastrously polluted with a series of various kinds of pesticides, and especially the chlorinated hydrocarbons. So we now have a situation in which the entire knowledgeable scientific community has been alerted about the environmental implications of the continued introduction of massive doses of slow degrading pesticides.

I think that most environmentalists who have looked at the problem believe that we are a long way down the road toward a worldwide disaster. Studies that have been made in various parts of the world support this conclusion. For example, a recent study by the U.S. Bureau

of Sport Fish and Wildlife found DDT in 584 of 590 samples of fish taken from 45 rivers and lakes across the Nation. In another study in the oceans scientists found that 396 out of 400 marine creatures that they examined were contaminated with measurable DDT residues.

We find DDT in the fatty tissue of most animal creatures on earth, including human beings. We find that DDT is driving to extinction a number of raptor birds, which feed at the end of the food chain, such as the great bald eagle and the falcon. As a result of massive ingestion of DDT, many of these birds are incapable of making enough calcium for their eggs. The chicks are then not able to develop properly and hatch due to the thin egg shells.

Mr. President, the United States is now producing pesticides at the rate of 1 billion pounds a year, or 5 pounds for every man, woman, and child in this country. I think what these pesticides have done to our environment is disastrous. It is critically urgent that we expand far beyond what we are doing now in research to find substitutes for pesticides. In addition we must limit, even before we get the substitutes, the indiscriminate use of all these chlorinated hydrocarbons.

We should be spending \$100 million a year more than we are now spending. This is a modest request for \$4.5 million which the Agricultural Research Service requested in its agency budget in 1970-71. However, at either the Bureau of the Budget level or the Department of Agriculture level, the request was not approved.

It is unfortunate with all the lipservice being paid by everyone, including representatives of this administration, about the necessity to stop the degradation of the environment, that this modest request by the Agricultural Research Service was not approved by the Bureau of the Budget.

Mr. HOLLAND. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Florida is recognized for 10 minutes.

Mr. HOLLAND. Mr. President, first I want to say to my distinguished friend that since he sent a letter to me on Monday, July 6, 1970, incorporating the various items which are covered by his amendment, we have contacted the Agricultural Research Service of the USDA and we have contacted the National Cotton Council. We have tried in every way we could to advise ourselves about the items he proposes to increase through this amendment.

We find that, at least in the judgment of the Senator from Nebraska and myself, and in the judgment of the staff of our committee, we are in a position to accept the larger part of this amendment, although there is one part of it we cannot accept because it is already in the bill. I am glad to state to the Senator, that an amendment placed in the bill by the House, provides \$1.5 million for boll weevil research and that is also included in our bill.

I wish to read this particular paragraph from a letter written to me, as

chairman of the committee, on June 15, 1970, by the Director of Research of the National Cotton Council, Dr. George S. Buck, Jr.:

First, we have already worked out an arrangement with USDA, the state experiment stations, the State of Mississippi, and CPI to finance the boll weevil eradication trial in 1971. The funds are to be provided roughly as follows: USDA, \$1,000,000; CSRS, \$500,000; CPI, \$500,000; and Mississippi, \$350,000.

I believe that totals \$2.350 million for the boll weevil eradication project, which has been worked out rather carefully by the ARS and the National Cotton Council, and the State of Mississippi.

I am happy to state to the Senator that if he will read in the hearings at the bottom of page 452, the statement furnished by Dr. Irving at my request, as chairman at the hearing, he will find substantially the same facts shown.

With that exception, the committee is willing to take the remainder of the Senator's amendment. As a matter of fact, we can say with rather happy words to the Senator that several of the field projects he suggests are field projects which we have requested the USDA to support in former years. Some of them have been asked for by USDA and turned down by the Bureau of the Budget.

I want to say that two of them happen to be in the State which I represent in part and in which I have been interested for a long time, but because of priorities elsewhere, the Bureau of the Budget has not been willing to approve them.

So I am happy to take it to conference if the Senator will reduce his amendment from \$4.5 million to \$3 million, with the statement that he is cutting out only that part that deals with the cotton boll weevil eradication program. I shall be very happy to take it to conference and to do my very best there to see that it remains in the bill.

I will also say to the Senator, as he probably knows already, that our committee authorized and initiated the pesticide research program 5 years ago, and provided at that time \$29 million for that program.

There are six research stations, some of which have been completed, and in our bill this year we add on \$6,371,000 above a much too modest budget request to staff those six laboratories.

The amount requested in the bill for the pesticide and related work, is something over \$90 million. So we are interested in this field, as the Senator recognizes, as a field to which we should give the highest priority.

With my assurance that the cotton boll weevil eradication program is taken care of, I hope that the Senator will modify his amendment to \$3 million, with the understanding that all the other items which he has recited will be included in that \$3 million, which is at least my understanding of the situation.

I may say that I have been advised by my distinguished friend from Nebraska (Mr. HRUSKA) that he is quite willing to follow that same course.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. HRUSKA. It is assumed that if this is done and it is worked out in this

fashion, the Department will report to us sufficient information as to the work to be undertaken with these additional funds, as distinguished from the existing program, that will give us a foundation for justifying in conference these additional funds.

Mr. HOLLAND. I am glad the Senator has made the point, because the chief of our staff, Mr. Schafer, talked to the ARS no later than this morning. They say some of these projects they are certainly able to undertake this year, and others they are not certain about. So we would expect, of course, to have the fullest kind of justification made, because the Senator understands this is not in the budget and is not in the House bill and we, as Senate conferees, would have to justify the items which we expect to have continued. I shall use every effort, I may say, to justify those items, but will have to rely in large part upon the showings we can get from the ARS and from their scientists as to what can be done.

Mr. President, since the letter from Dr. Buck, of the National Cotton Council to me, dated June 15, is not in the hearings—it was received by me well after the hearings, and really was to report on what had been done—I ask unanimous consent at this time that the entire letter as printed in our committee memorandum on pages 11 and 11A be incorporated in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LETTER FROM NATIONAL COTTON COUNCIL

JUNE 15, 1970.

Senator SPESSARD L. HOLLAND,
U.S. Senate,
Subcommittee Agricultural Appropriations,
Washington, D.C.

DEAR SENATOR HOLLAND: This is in connection with the one million dollars which the Agricultural Appropriations Subcommittee of the House recommended in its Bill, to be used on a matching basis with funds from the Cotton Board.

First may I say we are delighted that the House Subcommittee, recognizing the very difficult situation which the cotton industry faces, has seen fit to earmark an additional one million dollars to help attack our important problems through research. This will be enormously helpful, and we hope that your Committee can increase this amount, as you have in the past, because of great need.

There are two or three points which I think are important in regard to these funds, and which your Committee might want to consider.

First, we have already worked out an arrangement with USDA, the state experiment stations, the State of Mississippi, and CPI to finance the boll weevil eradication trial in 1971. The funds are to be provided roughly as follows: USDA, \$1,000,000; CSRS, \$500,000; CPI, \$500,000; and Mississippi, \$350,000.

The USDA will be conducting a preliminary trial this year with a full-scale effort to be carried out next year.

The second point is that the report of Mr. Whitten's Committee indicates that the one million dollars made available by the House is intended for research on the utilization of cotton and cottonseed. This is, of course, an area of considerable need.

Thirdly, no additional funds are provided for the vital cost-cutting program which your Committee has done so much to implement during the past six years.

Fourth, we think that the matching mechanism proposed by Mr. Whitten, while sound in principle for certain areas of co-

operation between the farmers and the USDA, such as in pest eradication, will pose problems of divided responsibility in other areas of research. Furthermore, the CPI program is so tight at this time that a matching requirement with USDA might result in funds being unused. A final complication is that many CPI developments result in privately-owned patents which are exploited commercially to provide further funds for the CPI program. It seems unlikely that this could be done under a matching arrangement with USDA.

For the above reasons we sincerely hope that your Committee will consider the advisability of these two actions:

1. The removal of the matching provision contained in the House bill.

2. Provision of additional cost-cutting research fund either for USDA or the Cooperative State Research Service part of the ten million dollars cost-cutting program, or both.

May I say once again that our entire industry is deeply grateful for the very important assistance which you and your Committee have given the cotton industry. We hope that you will understand the reasons for the request we are making here, and that you will not find it unreasonable.

With the sincerest best regards,

GEORGE S. BUCK, Jr.,
Director of Research.

Mr. HOLLAND. Mr. President, I have read—and I am sure the Senator understands—only that paragraph which deals with the cotton boll weevil eradication program which has been worked out between State, Federal, and private agencies, as stated in the paragraph which I read into the RECORD.

Mr. NELSON. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 5 additional minutes remaining.

Mr. NELSON. Mr. President, I would like to say to the distinguished Senator from Florida (Mr. HOLLAND) that, from looking at the RECORD and reading the comments and questions raised by the Senator from Florida during the hearings on this bill, I am well aware of his deep concern about the environment and about the unnecessary introduction of pesticides into the environment. I am very well aware of his very strong interest in the research that has been initiated while he has been a member and chairman of the subcommittee.

I certainly will accept the suggestion of the Senator from Florida to eliminate the \$1.5 million, and I appreciate his willingness to accept the other two aspects of the amendment.

I would only say that the reason why this point was raised is that in every check we made with the Department of Agriculture—that is, yesterday and today—we have been told that they thought the \$1.5 million is not there. So I hope that they are mistaken.

Yesterday my office called Mr. Richard Smith, assistant director of research for the National Cotton Council of America, in Memphis, Tenn. He said that the Cotton Council would be able to commit a maximum of \$500,000 to help support the boll weevil eradication program in southern Mississippi. Mr. Smith said that it was his understanding that the funds comprising the remainder of the \$2.5 million needed for the project would come from governmental sources, mainly the Federal Government.

That is what led us to believe that the total figure of \$2.5 million would not be available.

I hope the statement that was put into the hearing record of the Senator's subcommittee is the final word on it, rather than our brief telephone conversation.

Mr. HOLLAND. Mr. President, the statement which I made was a quotation from a letter written to me by the director of research of the Cotton Council, Dr. George S. Buck, Jr., who himself is an eminent scientist, dated June 15, after the completion of our committee record, stating to me the plans that had been made.

As the Senator has noted, the Cotton Council will contribute \$500,000 as that gentleman told the Senator yesterday, but there are other contributions—\$1 million from the Government, \$500,000 from the CPA, which comprises the personal contributions of the cotton farmers, and \$350,000 from the State of Mississippi.

That is the last word we have been able to obtain, which we consider to be correct. We are long-time acquaintances of Dr. Buck and we look to him for the position of the Cotton Council in research matters. I believe the Senator knows Dr. Buck. I am sure he must, because he is a nationally known scientist and expert in the field.

The PRESIDING OFFICER. If the Senator from Wisconsin desires to modify his amendment, will he state the modification he intends?

Mr. NELSON. Mr. President, I wish to modify my amendment so that on page 3, lines 13 and 14 of the bill, we will strike out "\$157,346,200" and insert in lieu thereof "\$160,346,200." That amendment eliminates \$1.5 million in accordance with the exchange here on the floor.

The PRESIDING OFFICER. The amendment is so modified.

Mr. HOLLAND. It deletes the \$1.5 million related to the cotton boll weevil eradication program and leaves intact all other items affected by the Senator's amendment.

Mr. NELSON. Yes.

The PRESIDING OFFICER. Is all time on the amendment yielded back?

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. HRUSKA. I want to state for the record that the statement made by the chairman of the subcommittee is in keeping with the understanding he and I arrived at following a study of the record on this point.

The PRESIDING OFFICER. Is all time yielded back?

Mr. HOLLAND. Mr. President, I yield back whatever time I have remaining.

Mr. NELSON. Mr. President, I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin, as modified.

Mr. Nelson's amendment, as modified, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. GOODELL. Mr. President, I send

to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 34, line 5, strike out "\$84,250,000" and insert the following: "\$122,250,000".

Mr. GOODELL. Mr. President, this amendment would increase the amount appropriated for salaries and expenses for the Farmers Home Administration from \$84,250,000 to \$122,250,000—an increase of \$38 million.

The Farmers Home Administration represents a classic example of what happens when an agency is given greatly expanded authority and then is denied a corresponding increase in the funds needed to administer its new programs.

The agency in recent years has been authorized to make loans and grants for rural community water systems, loans for small business enterprises, co-op loans, loans to establish grazing areas, and loans to develop recreation facilities.

In addition, in the rural housing field, the agency has been authorized to make grants to groups that provide technical assistance to self-help housing projects, make loans for the development of rural housing sites, make loans and grants for the construction of farm labor housing, make loans for the construction, purchase and repair of rural homes, and makes loans for the development of rental housing and cooperative housing projects.

All of these activities have been added to the original assignment of the Farmers Home Administration which was to make loans to farmers for the purchase, development, and operation of family-type farms.

The overall dollar volume of the agency's annual operations has grown apace. Ten years ago, the Farmers Home Administration loaned about \$300 million a year. For the last 3 years the agency has loaned well over a billion dollars a year and in fiscal 1971 contemplates lending about \$2.3 billion.

While the variety and the size of the agency's operations has increased by leaps and bounds, the size of its staff has risen at a relatively modest rate.

The Agriculture appropriation bill as reported out by the Appropriations Committee recognizes the need for increasing the amount made available for salaries and expenses for the Farmers Home Administration but it does not provide an adequate increase.

The bill would provide \$84,250,000 for salaries and expenses for the Farmers Home Administration. This represents an increase of \$3,100,000 above the amount carried in the House bill.

The Senate committee recommendation is an 18-percent increase over the amount available in fiscal 1970.

But, in the field of rural housing alone, the Farmers Home Administration, recently, announced that it plans to increase the number of housing units financed from 89,950 in 1970 to 163,280 in 1971. That is an increase of 82 percent.

I do not believe the agency quite reached its 1970 goal, and I know it will

not reach the 1971 goal—for one reason—lack of staff.

We cannot expect an organization to make an 82-percent operational increase with an 27-percent increase in staff.

These increases do not simply involve the agency's housing program.

Similar increases are projected by congressional action in the rural water and sewer programs administered by Farmers Home.

The Goodell amendments, which this body passed yesterday provide an additional \$80 million for the farmers home rural water and sewer program.

The increased funds, however, will do little good at all, if Farmers Home Administration does not have the personnel and administrative capacity to distribute the funds, quickly and efficiently.

I am informed by the Budget Director for the Farmers Home Administration that over \$1.8 million would be required to administer these funds.

The Rural Housing Coalition, of which I have the honor of being a cochairman, in testimony on the Agriculture appropriations bill estimated that at least \$125 million is required to adequately staff the Farmers Home Administration.

This would represent a 75-percent increase over the amount available in 1970. While this is not as large an increase as will take place in the housing and community development operations of the agency, it comes far closer to providing the sort of staff need to do the job.

Mr. President, the condition of the Nation's housing inventory in rural areas is an appalling affront to human decency, dignity, and health. People are living in tarpaper shacks, in old car bodies, in tents, and in mud hovels. I would suspect that much of our livestock is better housed than our rural poor.

When we cannot see a problem clearly, we tend to presume it is not there. The rural poor are hidden along the Nation's backroads; they are widely scattered and have no voice. Thus our imaginations carry us to the ghettos of our massive cities when we think of bad housing; we have heard the cry from there, and its anguish is readily apparent to the naked eye.

And so the problems of the poor in rural areas, and in particular their intolerable housing, have evaded our conscience. But the fact remains that fully two-thirds of the Nation's bad housing is "out there" in rural and small-town America. The fact is unknown, and until it becomes known and program resources are adjusted accordingly, the effort to provide a decent home and suitable living environment for every American family will be missing the mark.

A few weeks ago the distinguished mayor of New York City, John Lindsay, pointed out that we have ignored "the interrelationship of the city's problems with rural poverty and suburban isolation."

The statistics* are unsettling:

Sixty-six and eight-tenths percent of

the Nation's occupied substandard housing is in rural and smalltown America—outside SMSA's.

The incidence of substandard housing in rural and smalltown areas is 3.5 times greater than in metropolitan areas—14 percent as compared to 4 percent.

There are 3.1 million families in non-metropolitan areas presently living in substandard housing. By the time you add overcrowding and exorbitant proportions of income for rent as components of housing need, it becomes apparent that more than 7 million rural families will need some form of Government assistance to obtain decent housing.

Three-fourths of the families in the Nation who have incomes under the poverty line and who live in substandard housing live in rural areas and small towns.

Eight out of 10 nonwhite households in rural America occupy substandard housing. For whites, it is 1 in 10.

If it seems curious that a Senator from New York should concern himself with rural problems, I have only to remind you of the great volume of rhetoric in this Chamber which laments the tragic migration of people from rural areas to the cities. It has been said many times that to allow this pattern to continue is double folly; it compounds the agonies of the cities while squeezing dry the resources of the rural areas. Certainly, New York is no exception.

Obviously for New York State, in terms of absolute numbers, the housing need will be greater in metropolitan areas. New York is not characteristic of the rest of the country in the division of its population between metropolitan and nonmetropolitan areas. Of the 5,248,700 households in the State in 1960, only 13.4 percent were in nonmetropolitan areas. For the Nation as a whole, 35.9 percent of the households were in nonmetro areas. But the incidence of substandard housing is greater in nonmetropolitan areas, even in New York.

Substandard conditions occur in 12.5 percent—one out of eight—of the households in rural and smalltown New York, as compared to 7.5 percent of the households in metropolitan areas. More than half of the nonwhite—under \$3,000—households in nonmetro areas were in substandard units. For those same families inside metro areas, by comparison, one in three were in substandard units.

Putting this another way, nonmetro areas of New York contained only 13.4 percent of the State's households but one-fifth of the substandard occupied houses.

Now, Mr. President, one would think that rural and smalltown New York State would be getting housing program resources somewhat commensurate with roughly one-fifth of the need.

Sadly, however, the government-assisted program levels for rural New York fall appallingly short of that mark.

The Farmers Home Administration, chief source of housing credit for rural America, financed only 3,500 units in New York in fiscal 1968 and 1969. Its rural rental and farm labor programs were completely inactive.

Mr. President, it seems crystal clear that we are failing to deliver on our promise of a decent home for every American family. The cities in my State are hurting, and badly, and I do not mean to take anything away from them. I only speak to point out an area which seems to have been virtually ignored, not only in my State, but in the Nation as well.

It seems obvious that some basic changes at the Federal level are required if we are to have decent houses for all Americans by 1978.

We could take Farmers Home out of its administrative stranglehold. Since 1960, the agency has had a 624 percent increase in its lending activity, a 472 percent increase in loans to be serviced, a 248 percent increase in loans to be collected, but only a 77 percent in man-years of employees to do the work.

We could provide a decent home for every family in rural areas. However, we need to build and repair 700,000 houses each year in rural America. If we carried on this kind of program for 10 years, we would get the job done.

We will never come close to getting that job done until we create the proper administrative structure. The amendment I have offered is a step toward this end.

Mr. President, I reserve the remainder of my time.

Mr. HOLLAND. I yield myself 5 minutes.

Mr. President, I appreciate the interest of the Senator from New York in the problems of the Farmers Home Administration. It is an interest in which I have shared for a good many years. I rarely speak of my own part in legislation, but I happened to be the chairman of the subcommittee of the legislative Committee on Agriculture which developed the liberalized bill for the Farmers Home Administration under which it is now operating, and I have followed very carefully the enlargement of the activities of that very fine agency of the Department of Agriculture.

I may say that when we passed that bill, I had the rare distinction of having been praised on the floor of the Senate by those whom I considered the most liberal Members of the Senate, including the former Vice President of the United States, then Senator Humphrey of Minnesota, and I rather cherish the remarks he made at that time, which appear in the RECORD.

So I have followed these enlarged and very interesting activities of the Farmers Home Administration very sympathetically and very closely, both by being an active member of the Agriculture and Forestry Committee—that is, the Legislative Committee—and by being for the last 8 or 10 years chairman of the Appropriations Committee for Agriculture.

I want the distinguished Senator to know that our committee, which shares that view with me, has shown its interest in this subject, because we increased the appropriation for salaries for Farmers Home Administration not just by the \$3,100,000 over the House amount, as stated by the Senator from New York, but by \$18 million over the 1970 act and by \$841,000 over the estimate.

*Adapted from *Current Population Reports*, Series P-23 and *Current Housing Reports*, Series H-121, No. 17, August, 1968, published by the Census Bureau.

When we increased yesterday, on the floor of the Senate, several items for the Farmers Home Administration, which the Senator will recall because he had an active part in so doing, we realized that a need was indicated for a larger number of personnel to administer those increased programs.

So we took up the subject matter with the budget officer for the Department of Agriculture and asked him to give us a clear view of what was needed by way of an increase in personnel to handle the increases we made yesterday. I state for the record that those increases were \$76 million over the estimate for water and waste disposal grants making a total of \$100 million available for planning and grants. This was an increase of \$54 million over the 1970 level.

We asked Mr. Grant to go carefully into the matter with the agency affected and to advise our committee of what was their actual need for additional personnel. This is what he has stated to our committee. In checking with the Office of Budget and Finance this morning—of which Mr. Grant is the head—we asked for the amount needed over the Senate reported bill to provide adequate administrative expenses to finance the increases agreed to yesterday. As a result of this query, it was stated to us that the Senate committee amount of \$84,250,000 be stricken and that in lieu thereof the amount be \$86 million. This is \$1,750,000 over the Senate reported bill, \$4,850,000 over the House amount, and \$909,000 over the estimate.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HOLLAND. I yield myself an additional 5 minutes.

In addition—and the Senator may not understand this, because this is a very complex bill—the bill provides \$2,750,000 by transfer. This will give to the Farmers Home Administration a grand total of \$88,750,000 for its salaries and expense needs.

In addition, we have had it frequently reported to us, not just by the present head of this agency but also by former heads of this agency, that it is very difficult for them to find qualified men to put into this program, that they just cannot be found everywhere, and that the building up of personnel is quite a task.

The point of all I am saying is that I am agreeable, and so is the distinguished Senator from Nebraska, the ranking minority member of our committee, to add \$1,750,000 to cover the additional needs that were made necessary yesterday and to add to the \$87 million which our committee already has included in the bill for salaries.

We have on our subcommittee not only members of the Appropriations Committee, but also, we are fortunate to have the senior Republican member of the legislative committee, the Senator from Vermont (Mr. AIKEN), and of course, the chairman of the legislative committee, who serves as an ex officio member of our subcommittee, and he is acting chairman of the full Appropriations Committee. I think we have had as sympathetic a group to deal with this subject as can be found anywhere.

I am perfectly willing, if the distinguished Senator is willing to reduce his amendment along the lines I have suggested, to adopt it as his amendment and to have him get every bit of credit he deserves. If we cannot do that, we will have to offer a substitute amendment, which we would much prefer not to do; because, personally, I appreciate the interest the Senator has shown in this program. I want him to know that I appreciate it, and I want him to know that I am perfectly willing for him to get any amount of credit and the fullest amount of credit that could come from this action.

However, under the report we have from the budget officials of the Department, and with full knowledge of the amounts that have been added and with full knowledge of the fact that we already have added \$18 million above 1970 to this appropriation for salaries, and that that is also over the House amount—as well as well over the budget. I hope the distinguished Senator will see the situation which we are in, which is a practical one, and will see fit to amend his amendment, just as the distinguished Senator from Wisconsin did a short while ago, in which case we will be happy to take the matter to conference and fight for it.

Mr. AIKEN. Mr. President, I want to point out that writing the appropriation bill for agriculture this year has been perhaps more difficult than in other years because of the change in prices and cost and values. This situation leaves us with three options; namely, estimate the amount needed for each program and appropriate that amount, or we can appropriate more than will probably be needed with the expectation that it will not all be spent—but that does not look good on the appropriations record; or we can appropriate what we think is needed, with the idea that later in the year, if it proves to be inadequate, it can be supplemented through another appropriation bill. That, I think, always happens in the case of one or more of our programs.

Take yesterday, when the amount of the food stamp program was increased \$500 million. I felt that probably all that could be spent efficiently this year would be the \$1.25 billion, but I do not know. I had in mind that if the \$1.25 billion should be accepted now, and the need for more is indicated later, it can be provided through a supplemental appropriation bill which I would gladly support. That is all I have to say.

Mr. HOLLAND. Mr. President, I yield myself an additional 3 minutes.

The PRESIDING OFFICER (Mr. HOLLINGS). The Senator from Florida is recognized for 3 additional minutes.

Mr. HOLLAND. The Senator from Vermont is wiser in agricultural matters than anyone in the Senate except the Senator from Louisiana—in fact, I consider both of them to be the nestors of the Senate on this subject. I think that the Senator from New York would be wise in following their advice. I want him to know that he has friends in this program he is interested in. They drew up the budget and already increased the

amount for salaries \$18 million above the budget figure. We are suggesting another increase of \$750,000 to meet the needs. I shall be very happy to take the amendment if the Senator from New York will reduce the figure in that way.

Mr. GOODELL. Mr. President, how much time remains?

The PRESIDING OFFICER. Four minutes remain.

Mr. GOODELL. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 minutes.

Mr. GOODELL. I appreciate what has been said here, and I realize that it is difficult to anticipate the needs of this agency. However, I do not think this matter can be solved by a supplemental appropriation. It is difficult to get qualified personnel and the FHA has to know how much money it will get, so that it can go out and try to find that kind of personnel. The Farmers Home Administration is under strictures in the budget, and they cannot come to the Senate and oppose the administration or the Bureau of the Budget's recommendations.

However, if we examine the record to see what is really going on, we find that the Farmers Home Administration requested \$146,456,000 for this item. That is what it requested from the Bureau of the Budget. That item was cut \$62 million. Obviously, the officials at the Farmers Home Administration feel that if they are to do the job properly, they need more money than the \$84,000,000. I think that they need more than the \$1¾ million the Senator from Florida has proposed. We are not simply trying to take care of providing for the amendments enacted yesterday.

I certainly am willing to compromise. I am not interested in the credits one way or another. I want to get the money increased in this particular item. I think that if we are going to compromise, we should talk a larger figure than just the small amount to take care of what was increased in the bill yesterday. We should meet the basic need here. I recognize that the Senator from Florida and the Senator from Nebraska are sympathetic to the program, and are very understanding, but we have to do more. There is a desperate problem in the rural areas.

I would implore the Senator from Florida to go a little bit higher in this situation and perhaps we can work out a compromise. I have no interest in a conflict here. I think the Senator from Florida is as interested as I am in getting more money for the program, as it is so desperately needed.

Mr. HOLLAND. Mr. President, the distinguished Senator from Vermont (Mr. AIKEN) has just suggested that we go up to \$3 million. That is beyond what the finance office or the budget office of the department said they would need, but I have always found the Senator from Vermont to be sound in his judgment, as well as generous, in this field, and I am therefore willing to go that high. I cannot go to the large figure suggested by Senator GOODELL.

There has never been a supplemental

bill, since I have been a chairman of the subcommittee, which has not had some items in it for the Farmers Home Administration, particularly in the field of disaster loans. We have had them nearly every year. There have been other items included as well, which have always had sympathetic treatment. The Farmers Home Administration is a highly regarded agency. It deals with the underaverage credit risks of the farming communities. They have had most sympathetic treatment from the committee and will continue to have it.

I am glad the Senator feels that way. If he will cut his amendment to \$3 million, as the Senator from Vermont suggests, I shall be glad to agree to it and take it to conference.

Mr. GOODELL. Mr. President, I think we will inevitably increase this sum. But, \$3 million is totally inadequate from my perspective. I would suggest to the Senator from Florida that since they are going to take this bill to conference and the House bill recommends an appropriation of \$81 million that the Senator raise this question of increased appropriations there at the conference, and discuss it with them, and negotiate about it. I would also suggest that the Senator from Florida confer with the Farmers Home Administration, and I believe he will agree that there is ample justification for the higher amount.

However, if the Senator from Florida does not think so, we can compromise in conference a figure that will be adequate. Certainly this would not be binding on the Senator from Florida or the other conferees. But, I believe that the \$3 million is an inadequate amount in terms of the tremendously increased burdens we have placed upon the Farmers Home Administration.

Mr. HOLLAND. By adding the \$3 million, we put ourselves \$6.1 million above the House appropriation. I think that is as far as we can go. We are trying to be reasonable, I think even gracious, so that I hope the Senator will agree to that course, because we would much rather not submit a substitute amendment; but we have agreed to take the figure suggested by the Senator from Vermont. If there is anyone who loves agricultural people more in this Senate than the Senator from Vermont, I do not know who it is. He is a part of them. He is a part of the nursery and fruit business of his State of Vermont. The people of Vermont have been particularly interested in those two businesses.

I shall be glad if the Senator will reduce his amendment to \$3 million. We will fight for it in conference.

Mr. GOODELL. The Senator has been most gracious and understanding. However, because of my convictions on this matter, I find the \$3 million to be unacceptable. I should like to accommodate the Senator from Florida, but I think we probably should have a vote on this and settle the issue. I hope that if the Senate understands this issue, we will not delay the matter further and we will give the Farmers Home Administration adequate funds. The Farmers Home Administration should have the funds so it can go ahead and make adequate preparations

for hiring additional personnel. It should get a more adequate increase than is provided in the bill now, and more than the \$3 million increase proposed.

The conferees of the Senate could handle this matter now and come back with a figure that they think is adequate. If that compromise is not acceptable, I think that we should vote.

Mr. HOLLAND. Mr. President, I am ready to yield back my time on the Senator's amendment so that I may offer a substitute amendment.

Mr. GOODELL. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will report the substitute.

The legislative clerk read as follows:

In lieu of the figure proposed to be inserted in the amendment, insert \$87,250,000

Mr. HOLLAND. Mr. President, I think the matter has been adequately debated. However, I want to very briefly mention what is included in the amendment.

It includes an increase of \$3 million for salaries and expenses of the Farmers Home Administration, when we have here a written statement from the Budget officer that \$1,750,000 would meet all additional requirements of personnel to cover the added funds we provided yesterday for the Farmers Home Administration.

They remind us in the memorandum that the Senate has already provided \$18 million more for salaries than the 1970 appropriation. We are already \$3.1 million above the House amount. By adding the \$3 million, we would be \$6.1 million above the House amount.

We have added the \$3 million figure because that was suggested by the distinguished Senator from Vermont. We think it is a little more than the amount needed. However, if they do not need it, they will not use it.

I hope the substitute amendment will prevail.

Mr. President, I yield 3 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 3 minutes.

Mr. HRUSKA. Mr. President, it is my hope that the substitute will prevail. It is true that the workload of the Farmers Home Administration is greater. However, the bill represents an increase of \$18 million over last year's figure. By the allowing of the additional \$3 million, there would be \$21 million over and above the 1970 allowance of funds for salaries and expenses.

There may be a difference of opinion. There may be firm conviction that more than that amount is needed. The committee, however, and certainly the sponsor of the substitute and I, believe that the best judges of that are the budget authorities in the department. They have said advisedly that this would be ample for the purposes at hand, including the additional amounts allowed yesterday.

So, it is a matter for the Senate to decide. I hope the Senate decides the matter in line with the thinking of the Appropriations Committee that the best authorities to decide how much money is needed would be the budget authori-

ties in the Department of Agriculture.

It is my hope that the substitute will prevail.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLAND. Mr. President, I am ready to yield back the remainder of my time if any time remains to me.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. GOODELL. Mr. President, I think we have fully debated the matter here. Those who are deeply concerned about the program make it clear that there is uncertainty as to how much money they will be able to spend usefully and officially.

I think we all want them to be able to have enough money for the personnel that are necessary to administer these tremendous programs that have been added.

I think the \$3 million is too restrictive. I recognize that the committee has increased the amount over last year by \$18 million. However, we have increased the responsibility of this agency far more than that.

I would point out once again that the FHA itself requested \$146 million of the Budget Bureau. They were turned down. When they requested that, they might have been figuring that it would not be fully agreed to by the Budget Bureau. That is an old game. They probably figured that it would be knocked down somewhat, but not cut by \$62 million.

I believe that the Farmers Home Administration could use \$38 million more for administering its many programs.

Mr. HRUSKA. Mr. President, I yield 2 minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 2 minutes.

Mr. AIKEN. Mr. President, as a member of the Subcommittee on Agricultural Appropriations which reported the bill, I had the feeling that the amount was adequate. Therefore, I will support the committee report and the chairman of the subcommittee, the Senator from Florida.

I also want to make it plain that if this amount proves to be inadequate as the work goes on, I shall certainly support a supplemental appropriation to provide whatever funds are needed to carry on the work of the Farmers Home program.

One thing that perhaps we have not taken into consideration is that although the work of this agency is bound to increase, the size of the loans also increase, so that we cannot judge the number of loans made fully by the amount of money loans.

I did want to make it clear if the amount agreed to by the committee proves inadequate I shall support a supplemental appropriation for whatever amount is needed for these excellent programs which are being carried on by the Department of Agriculture through its agencies.

Mr. HRUSKA. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 2 minutes.

Mr. HRUSKA. Mr. President, this program is important and it is helpful to the farmers. It is as much appreciated in my section of the country as in the northeastern part of the country.

I will join with the Senator in any request from the Department for a supplemental appropriation later in this Congress if the amount appropriated today on the basis of the substitute proves to be insufficient.

We have always listened to and carefully considered any such request. I pledge my support, whatever it might amount to, in connection with any request for a supplemental.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HOLLAND. Mr. President, I yield to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. ELLENDER. Mr. President, I hope that the Senate acts realistically on this. We have some mighty tough men to contend with on the House side.

With Mr. Grant, who is the Budget Director of the Department of Agriculture, saying that he cannot spend the amount we are providing here, I am sure that the House conferees would not agree even to the amount we are now providing, because the amount is \$1.5 million more than Mr. Grant says he can spend.

I hope the Senate agrees to the substitute offered by the distinguished Senator from Florida.

Mr. HOLLAND. Mr. President, I ask for the yeas and nays on the substitute.

The yeas and nays were ordered.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. HOLLAND. Mr. President, I yield back the remainder of my time.

Mr. GOODELL. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Florida in the nature of a substitute for the amendment of the Senator from New York. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. KENNEDY. I announce that the Senator from Connecticut (Mr. DODD), the Senator from Tennessee (Mr. GORE), the Senator from Indiana (Mr. HARTKE), the Senator from Hawaii (Mr. INOUE), the Senator from Washington (Mr. MAGNUSON), the Senator from Wyoming (Mr. MCGEE), the Senator from Minnesota (Mr. MONDALE), the Senator from Georgia (Mr. RUSSELL), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL), and the Senator from North Carolina (Mr. JORDAN) are absent on official business.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON), the Senator from Missouri (Mr. SYMINGTON), and the Senator from North Carolina (Mr. JORDAN) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Nebraska (Mr. CURTIS)

and the Senator from California (Mr. MURPHY) are necessarily absent.

The Senator from Kentucky (Mr. COOK), the Senator from Illinois (Mr. PERCY) and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) and the Senator from Maine (Mrs. SMITH) are absent because of illness.

If present and voting, the Senator from Nebraska (Mr. CURTIS), the Senator from South Dakota (Mr. MUNDT), the Senator from California (Mr. MURPHY), the Senator from Illinois (Mr. PERCY), and the Senator from Maine (Mrs. SMITH) would each vote "yea."

The result was announced—yeas 75, nays 6, as follows:

[No. 227 Leg.]

YEAS—75

Aiken	Fong	Muskie
Allen	Fulbright	Packwood
Allott	Goldwater	Pastore
Anderson	Griffin	Pearson
Bayh	Gurney	Pell
Bellmon	Hansen	Prouty
Bennett	Harris	Proxmire
Bible	Hart	Randolph
Boggs	Holland	Ribicoff
Brooke	Hollings	Saxbe
Burdick	Hruska	Schweiker
Byrd, Va.	Hughes	Scott
Byrd, W. Va.	Jackson	Smith, Ill.
Cannon	Jordan, Idaho	Sparkman
Church	Kennedy	Spong
Cooper	Long	Stennis
Cotton	Mansfield	Talmadge
Cranston	Mathias	Thurmond
Dole	McCarthy	Tower
Dominick	McClellan	Tydings
Eagleton	McGovern	Williams, N.J.
Eastland	McIntyre	Williams, Del.
Ellender	Metcalf	Yarborough
Ervin	Miller	Young, N. Dak.
Fannin	Montoya	Young, Ohio

NAYS—6

Case	Hatfield	Moss
Goodell	Javits	Nelson

NOT VOTING—19

Baker	Inouye	Percy
Cook	Jordan, N.C.	Russell
Curtis	Magnuson	Smith, Maine
Dodd	McGee	Stevens
Gore	Mondale	Symington
Gravel	Mundt	
Hartke	Murphy	

So Mr. HOLLAND's amendment in the nature of a substitute for Mr. GOODELL's amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PASTORE and Mr. HRUSKA made a motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. HOLLAND. Mr. President, the amendment offered by the Senator from New York (Mr. GOODELL), which has now been modified by the adoption of the last amendment, has the yeas and nays ordered on it. The time has been completely utilized. I suggest we have an immediate yea and nay vote on the amendment of the Senator from New York, as amended.

Mr. GOODELL. Mr. President, I agree.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York, as amended. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from Connecticut (Mr. DODD), the Senator from Tennessee (Mr. GORE), the Senator from Indiana (Mr. HARTKE), the Senator from Hawaii (Mr. INOUE), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCGEE), the Senator from Wyoming (Mr. MCGEE), the Senator from Minnesota (Mr. MONDALE), the Senator from Georgia (Mr. RUSSELL), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Maryland (Mr. TYDINGS) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL), and the Senator from North Carolina (Mr. JORDAN) are absent on official business.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON), the Senator from Missouri (Mr. SYMINGTON), and the Senator from North Carolina (Mr. JORDAN) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Nebraska (Mr. CURTIS) and the Senator from California (Mr. MURPHY) are necessarily absent.

The Senator from Kentucky (Mr. COOK), the Senator from Illinois (Mr. PERCY) and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) and the Senator from Maine (Mrs. SMITH) are absent because of illness.

The Senator from Texas (Mr. TOWER) is detained on official business.

If present and voting, the Senator from Nebraska (Mr. CURTIS), the Senator from South Dakota (Mr. MUNDT), the Senator from California (Mr. MURPHY), the Senator from Illinois (Mr. PERCY), the Senator from Texas (Mr. TOWER), and the Senator from Maine (Mrs. SMITH) would each vote "yea."

The result was announced—yeas 75, nays 3, as follows:

[No. 228 Leg.]

YEAS—75

Aiken	Fong	Miller
Allen	Fulbright	Montoya
Allott	Goldwater	Moss
Anderson	Goodell	Muskie
Bayh	Griffin	Nelson
Bellmon	Gurney	Packwood
Bennett	Hansen	Pastore
Bible	Harris	Pearson
Boggs	Hart	Pell
Brooke	Hatfield	Prouty
Burdick	Holland	Proxmire
Byrd, Va.	Hollings	Randolph
Byrd, W. Va.	Hruska	Saxbe
Cannon	Hughes	Schweiker
Case	Jackson	Scott
Church	Javits	Smith, Ill.
Cooper	Jordan, Idaho	Sparkman
Cranston	Kennedy	Spong
Dole	Long	Stennis
Dominick	Mansfield	Talmadge
Eagleton	Mathias	Thurmond
Eastland	McClellan	Williams, N.J.
Ellender	McGovern	Yarborough
Ervin	McIntyre	Young, N. Dak.
Fannin	Metcalf	Young, Ohio

NAYS—3

Cotton	Ribicoff	Williams, Del.
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NOT VOTING—22

Baker	Jordan, N.C.	Russell
Cook	Magnuson	Smith, Maine
Curtis	McCarthy	Stevens
Dodd	McGee	Symington
Gore	Mondale	Tower
Gravel	Mundt	Tydings
Hartke	Murphy	
Inouye	Percy	

So Mr. GOODELL's amendment, as amended, was agreed to.

Mr. HOLLAND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLAND. Mr. President, may I make an announcement? I yield myself 1 minute on the bill.

The PRESIDING OFFICER. The Senate will be in order, so that the Senator's announcement may be heard.

Mr. HOLLAND. I know of no further amendments except one to be offered by the distinguished Senator from Kentucky (Mr. COOPER), which the Senator from Nebraska and I have agreed to take to conference, subject, of course, to the will of the Senate.

Following that, I have had no requests to speak on the bill, and I understand from the Senator from Nebraska that he has had no requests; so I would suppose that we would get, then, to a final vote, and ask for the yeas and nays on passage of the bill.

The yeas and nays were ordered.

Mr. COTTON. Mr. President, will the Senator yield me one-half minute on the bill?

Mr. HOLLAND. I am glad to yield the Senator one-half minute on the bill.

Mr. COTTON. Mr. President, I was absent from the Chamber yesterday when various Senators expressed their appreciation for the work that the distinguished Senator from Florida has done on this bill, as well as his many great contributions to the Senate. I have such a statement, which I ask unanimous consent may appear in the permanent RECORD in conjunction with the statements made yesterday.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COTTON. Mr. President, it is a privilege to join my colleagues in expressing admiration and affection for the distinguished Senator from Florida (Mr. HOLLAND) as the time approaches when, for reasons of health, he will enter voluntary retirement. Incidentally, that is the only kind of retirement open to him, for I am positive that the people of Florida, whom he has served so well as Governor and for many years as Senator, would never allow him to leave the Senate if it were in their power to prevent it.

From the first hour of my service in this body, I admired him and, as time went on and I had the privilege of serving with him on the Appropriations Committee, my respect and affection for him has grown each passing year. He has always mastered the issues and problems that he has had to face. I have never known him to deal with any subject or raise his voice in any cause without revealing the breadth and accuracy of his knowledge. Above all, he has been the embodiment of a kindly, Christian gentleman. His courtesy to his colleagues, even when he differs from them, has been unflinching. I have never seen him lose his temper or his poise for an instant, even when debate was heated. There is not a Member of the Senate, Democrat or Republican,

liberal or conservative, who does not hold him in high affection and treasure association with him.

He is the beau ideal of a Senator—in appearance and all the qualities of mind and soul which equip men for service here. With a toga upon his shoulders and a fillet around his snow-white locks, he could step back through the ages and walk the Praetorian pavements on terms of complete equality with any senator of ancient Rome.

May he and his lovely lady have many years of happiness and comfort in which to enjoy looking back on a career of service and distinction that has been rarely equaled and never excelled.

Mr. HOLLAND. Mr. President, I am very grateful to the Senator. I had no knowledge of the fact that this was the subject of his request, but I think I would have been even happier to grant his request if I had known his purpose.

Now, Mr. President, I understand that the Senator from Kentucky has an amendment.

Mr. COOPER. Mr. President, before calling up my amendment, I ask unanimous consent to have printed in the RECORD an excerpt from the committee report subheaded "Supplemental Financing Program," under the heading "Electrification Program," as found on pages 38 and 39 of the committee report.

There being no objection, the excerpt from the report (No. 91-987) was ordered to be printed in the RECORD, as follows:

SUPPLEMENTAL FINANCING PROGRAM

The Committee commends the rural electric systems in their attempt to establish a financing organization to help alleviate the large financial needs of the rural electric systems for new capital financing from the Federal Government. The National Rural Utilities Cooperative Finance Corporation (CFC) was incorporated in the District of Columbia on April 10, 1969. The Committee understands that CFC now has 785 members in 44 states.

Historically, REA has granted loans since the program began in 1935 allowing deferment of the payment of principal on the loans for varying periods of time. In some cases the deferment period has been for one year, in some cases for two years, in some cases for three years, in some cases for five years, and in a few instances even longer.

The Committee believes that the CFC plan has the potential of diverting the growing need to increase the annual loan authorization and achieve a large measure of "self-financing" in future years. To be most effective the capitalization of the corporation must be accelerated.

The Committee expects the REA Administrator to assume an active role in cooperation with CFC in the accumulation of initial subscription of capital from CFC members for initial operations.

In addition to the subscription of capital from existing sources, and to meet the objectives set forth in the House Committee Report, a continuous flow of capital funds is essential to the orderly development of the CFC.

The Committee is of the opinion that the recommendation in the House Committee Report to defer principal repayments on outstanding loan contracts is not a feasible method of providing for an orderly flow of capital subscriptions to the CFC. The Committee recommends that beginning on July 1, 1970, that the REA Administrator grant up to a three-year deferment on principal installments on new REA loans—with the

understanding that such deferred installments on principal will be invested by borrowers in the CFC.

Such regular investments in CFC when continued for several years and coupled with the open market sale of debentures, should then enable the REA Administrator and the CFC to make an orderly transition from complete reliance upon government financing to a greater reliance upon the sale of CFC debentures, except for the financing of systems where the input of 2 percent government loans may be essential to the maintenance of adequate electrical service at reasonable rates in low density population areas.

Mr. COOPER. I call attention specifically to one sentence:

The Committee expects the REA Administrator to assume an active role in cooperation with CFC in the accumulation of initial subscription of capital from CFC members for initial operations.

Mr. BYRD of West Virginia. Mr. President, we cannot hear the Senator.

The PRESIDING OFFICER. The Senate will be in order.

Mr. HOLLAND. Mr. President, I am glad to yield 2 minutes on the bill to the Senator from Kentucky. I understood he had an amendment.

Mr. BYRD of West Virginia. Mr. President, I ask that we may have order before the Senator continues.

The PRESIDING OFFICER. The Senate will be in order. The Senator may proceed.

Mr. COOPER. Mr. President, I have an amendment which will take 1 minute. However, I wanted to ask the distinguished chairman of the subcommittee and the distinguished Senator from Nebraska if they concur in this statement in the committee report that the REA Administrator should assume an active role in cooperation with CFC.

Mr. HOLLAND. Mr. President, I yield myself 2 minutes, after which I shall be glad to yield to the Senator from Nebraska.

We certainly do concur in that statement. We feel that a self-help program by this element of the rural population can be as successful as the one for the Agricultural Credit Administration which already now belongs a hundred percent to the people who use it. We have suggested, as a means of cooperation, that on new loans the Administrator waive payments of principal for 3 years, on condition that the same amount may be placed in investments in the CFC, which is the new bank set up by the cooperatives to serve their own interests.

Mr. COOPER. I thank the Senator.

Mr. HRUSKA. Mr. President, the Senator from Nebraska concurs in that statement. It is well stated.

Mr. COOPER. I thank Senators HOLLAND and HRUSKA, managers of the bill. Their statements are important.

Mr. President, REA came into being because the private utilities had not extended their service to the farm homes of rural areas. For example, before REA was established in 1936, only 10.9 percent of all farms in the United States enjoyed electric service. In Kentucky, only 3 percent of our farmers received electric service.

Today, in sharp contrast to the 3 percent of farmers who enjoyed electric

services in 1936, 98.4 percent of our Nation's farmers and 99 percent of Kentucky's farmers receive electric service. REA has financially served more than half of all electrified farms.

Since 1936, REA has loaned almost \$7.4 billion, chiefly to rural electric cooperatives, and public bodies, for electric distribution systems, including transmission and generating facilities. In Kentucky \$433 million has been loaned.

I was very pleased that REA approved a loan on June 26 amounting to \$16,368,000 to finance transmission facilities to meet growing power requirements of 18 distribution co-ops serving 175,000 rural consumers in 83 counties in eastern Kentucky. Given the large number of counties and consumers served, this loan will be a great benefit to my State.

This is a tremendous record, but much still needs to be done to extend electric service into all rural areas and to improve and maintain present systems. It is estimated that about \$900 million in loan applications will be filed during this fiscal year. The budget recommendation for new loan authority for fiscal 1971 is \$352 million. This illustrates the need for new capital financing.

The rural electric systems have authorized the establishment of their own financing institution to help provide some of the additional loan funds required to meet the system's growing capital needs. In April 1969, the National Rural Utilities Cooperative Finance Corporation—CFC—was incorporated. I am very glad the Rural Electric Corporation in Kentucky has been in the forefront in this development and that a very able and distinguished Kentuckian, Mr. J. K. Smith, is the first president of CFC.

Much has been accomplished by the officers and directors of CFC in bringing this vital supplemental financing institution into being. I understand that 766 rural electric systems, representing about 75 percent of the rural electric systems in the country, have applied for membership. As soon as legal, procedural, and regulatory matters affecting CFC are completely resolved, CFC will ask the rural electric systems to complete their membership obligations, provide equity capital, and begin operations.

For this reason, I was pleased to note the language in the report by the Senate Appropriations Committee concerning the future role of the CFC and which urged the Rural Electrification Administrator to assume an active role in cooperation with the CFC in the accumulation of initial subscription of capital. The committee report further recommends that beginning July 1, 1970, the REA administrator grant up to a 3-year deferment on principal installments on new REA loans with the understanding that such deferred installments on principal will be invested by borrowers in the CFC. As the REA has historically granted deferment of the payment of principal on loans for 2 years, I understand the committee's language to mean a total deferment period of 5 years.

I have for a number of years supported legislation to provide a source of supplemental financing for the rural electric systems, and introduced a bill for this

purpose several years ago. I commend the Senate Appropriations Committee members for their actions and recommendations concerning the CFC and hope that the recommendations made by the committee and emphasized by the distinguished chairman and ranking member, Senator HOLLAND and Senator HRUSKA, be followed speedily. We have great respect and confidence in the able Administrator, the Honorable David Hamill, who has done much for rural electrification.

Mr. President, I ask unanimous consent that a statement describing the work of the CFC be included in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SOME FACTS ABOUT CFC

A little less than one year ago delegates to the NRECA Annual Meeting in Atlantic City, N.J., voted to establish the National Rural Utilities Cooperative Finance Corporation, or CFC. This new cooperative corporation was created to enable rural electrics to supplement with their own funds and private money market resources the annual appropriation for REA loans at 2 per cent interest. CFC thus will provide some of the additional loan funds required to meet the system's growing capital needs.

Outlined below is a brief report on the progress made by CFC during the past year, and what is expected for 1970.

1. *Organization*—CFC is a cooperative owned by its participating rural electric systems. It is governed by a 22-member board of directors who were named by the NRECA Board. The next board will be elected by geographic region by the member systems.

2. *Capitalization*—Initially, CFC will raise money through membership fees and member subscriptions to capital term certificates. Later, CFC will raise additional money through the sale of long-term obligations to private investors.

3. *Loans and Interest Rates*—CFC will make loans to its members for purposes related to rural electric system objectives within their statutory authority. The interest rate on such loans will be determined by the cost of money in the open money market.

4. *Membership Applications*—As of the end of January, 1970, 764 rural electric organizations (individual rural electric cooperatives, power supply cooperatives, statewide associations and NRECA) had sent in their membership applications and fees. Slightly more than 75 per cent of the NRECA membership has thus indicated its intention to join the new institution.

5. *REA and CFC*—In the words of REA Administrator David A. Hamill, "CFC right now is our best hope to bring urgently needed capital into our electric program." In line with this statement, REA has accepted the general principle of "accommodation" of REA liens on the property of rural electrics. An REA Study Group and the CFC's REA Coordinating Committee have been meeting to work out the details of this accord. This CFC Committee also is developing the new institution's loan policies and related procedures.

6. *Loan Operations*—As in the past, all rural electric system loan applications will go first to REA for determination of eligibility for available funds under the REA 2 per cent loan program. Loan applications considered eligible for supplemental financing will be forwarded by REA to CFC with appropriate information, including an indication of REA willingness to accommodate its liens to provide equal loan security for CFC. It is anticipated that for most loan applications REA will make part of a loan and CFC the balance.

7. *Internal Revenue Service (IRS) and CFC*—In October of last year the IRS ruled favorably upon the CFC application for exemption from Federal income tax as a non-profit social welfare organization. This action will enable CFC to proceed with the plan of member participation in subscribing to the new institution's capital term certificates.

8. *Securities and Exchange Commission (SEC) and CFC*—The SEC is now in the process of determining whether registration of CFC capital term certificates is required.

9. *In 1970*—During the coming year the CFC Board of Directors will choose a chief executive officer, to be known as the Governor, of CFC. He will be responsible for day-to-day operations of the new institution. In 1970 the Board also will issue a call for member subscription to capital term certificates. With the present number of members that call will raise, during the initial three-year subscription period, approximately \$115 million in "seed" capital for the new institution.

CFC expects to make its first loan to a member system during the coming year.

Mr. COOPER. Mr. President, I send to the desk an amendment at the request of and for my colleague, the junior Senator from Kentucky (Mr. Cook) who is absent on official business. He asks that \$100,000 be added to the Agricultural Research Service, specifically for medical research on horses.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

On page 3, lines 13 and 14, strike out "\$160,346,200" and insert "\$160,446,200."

Mr. HOLLAND. I yield myself 2 minutes.

Mr. President, the horse breeders and farmers of the Nation have been suffering very heavy losses; and at today's values, that is no small loss.

The PRESIDING OFFICER. The Chair wishes to state that the amendment contains the figure already agreed to by the Senate, and it is only in order by unanimous consent.

Mr. HOLLAND. I ask unanimous consent that this amendment may be considered. The Senator from Nebraska and I are going to accept it, subject to the will of the Senate.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HOLLAND. I want the record to show that representatives of this industry did make a strong showing when they appeared before our committee. However, the amounts they requested were quite sizable, approximately \$800,000 and it was simply a question of priorities.

We have decided that this \$100,000 as a start, to give them a chance to study the subject thoroughly in view of the seriousness of the losses that have been sustained. For that reason, the Senator from Nebraska and I have agreed to take this amendment to conference, subject, of course, to the will of the Senate. We think it is a good amendment.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. PASTORE. I know that this amendment is going to be accepted, but I feel that this is a waste of money. As a matter of fact, if we had fewer race horses, we would have less betting. If we had less betting, we would have less

gambling. If we had less gambling, we would have more money in the pockets of people to spend for bread.

I want the record to show that I am opposed to this amendment.

Mr. HOLLAND. I yield 2 minutes to the Senator from Nebraska, and I am ready to yield back the remainder of my time on the amendment, assuming that he is.

Mr. HRUSKA. Mr. President, a showing had been made during the course of the hearings; and I must say that, except for the fact that the Department did not feel that they were ready to start any research in this direction, the subcommittee members were fairly well disposed to accept some figure. In view of that, we thought it would be well to accept this figure, take it to conference, and have further discussion there.

So I concur in the statement made by the chairman of the subcommittee.

Mr. PASTORE. Mr. President, I ask for the yeas and nays.

If you want to stop gambling in this country and break organized crime, stop racing.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. HOLLAND. Mr. President, this does not apply just to race horses. The people who are most affected by this question are not the people who race horses, but rather those who raise horses. The State of Kentucky is of course most famous for that objective, and millions of dollars are invested in it there. But this is also true in other States throughout the whole country. These horse breeders and ranchers are not the people who are doing the betting or receiving the results from the betting. They are people who are either earning their livelihood by raising horses or doing it for pleasure, as is the case of over 200,000 boys and girls who raise horses as a 4-H project.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HOLLAND. I will yield in a moment.

I just want to make it very clear that a loss on a horsebreeding farm where there is an infection that pretty well takes off the whole population of the farm is a terrible and a tragic thing to happen to that kind of farmer, and that is what they are. It is for that reason that the Senator from Nebraska and I have agreed to make this recommendation. The people who raise thoroughbred stock, outnumber those who are actually in the racing field by many times, are most affected by this amendment.

I yield myself 2 additional minutes, and I yield to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, the horses we are talking about here are not workhorses. We are talking about sport horses. What I am talking about is taking the money out of the taxpayer's pocket so that this business may be promoted.

The reason why today there are so many bookies and so much organized gambling is that there is horseracing, primarily. I say that the less of that we have, the better off this country is going to be. If you want to break the back of organized crime, you must break the

back of the betting institution in this country. I do not see why the taxpayers of this country should be called upon to support this sport.

Mr. HOLLAND. Mr. President, I call attention again to the fact that the people who really receive the benefit of the program in this field are those who raise the horses. This applies to areas as diverse as Warrenton or Middleburg in Virginia; various areas in nearby Maryland, large parts of Kentucky and Florida, and some of the Far Western States. We have a substantial group of that kind of farmers in Florida who are not the ones who race the horses at all. This is a large industry which has not had any recognition at all. We are suggesting that this \$100,000 be taken to conference and we will then see what can be worked out.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. COTTON. Laying aside the question of gambling or horse racing, it has been my observation that the people who raise this blood stock, one, are not poor and, two, in many instances these operations are for the purpose of getting reduction from their income tax.

The PRESIDING OFFICER. The Senate will be in order.

Mr. HOLLAND. Has the Senator concluded?

Mr. COTTON. I do not see any reason why they need this support.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Vermont.

Mr. AIKEN. I would like to ask the chairman of the subcommittee this question: Does this amendment, proposed by the junior Senator from Kentucky, apply only to race horses or quarter horses or thoroughbreds? Does it apply to the Morgan horse, which is used by the thousands in the camps around this country for boys and girls? Does it just apply to race horses?

Mr. HOLLAND. It applies to all the raising of horses for human use, except for the plow horses and that kind. It covers many more—Morgan horses and quarter horses and horses of that kind that are individually owned and that can be seen at the great hunts at Warrenton and Middleburg and over in Maryland and in many other parts of the country. It applies more to them, of course, than to racing horses.

Mr. AIKEN. I would like to say something in behalf of the Morgan horse. I know that the Morgan horse never contributes to sin of any kind.

Mr. PASTORE. As a matter of fact, this is the Trojan horse. This is the amendment of the Trojan horse.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Kentucky.

Mr. COOPER. I would like the attention of the Senator from Rhode Island.

I offered this amendment at the request of and on behalf of my colleague, the junior Senator from Kentucky (Mr. Cook), who is absent on official business. I am informed that if his amendment is accepted it would provide \$100,000

for medical research on horses of all types and categories. It is estimated that there are 7 million horses in the United States, representing a \$12 billion industry. Because I come from Kentucky, someone will say, "Well, you are offering an amendment for the racetracks, for thoroughbred race horses." I have no doubt that these owners, as all horse owners would, have an interest in this amendment. But I can say to my colleagues that not a single one from my State has talked to me about this and no one else has, except staff members of Senator Cook's office. But I know enough about the horse business to understand the purpose of the amendment.

Mr. PASTORE. Will the Senator from Kentucky yield?

Mr. COOPER. I yield.

Mr. PASTORE. Can the Senator tell me how many farmers who have horses came before the committee and how many sportsmen who have racehorses came before the committee?

Mr. COOPER. Ninety-five percent of the horses in this country are owned by families.

Mr. PASTORE. No, no; I mean those who testified before the committee?

Mr. COOPER. I do not know.

Mr. PASTORE. I wish the chairman would tell us whether they were sportsmen or farmers.

Mr. COOPER. I think the interpretation that I place upon this amendment should have a bearing as to whether it applies to medical research for racing horses only or for all categories of horses. I am interpreting his amendment in the way in which it was given me by my colleague, Senator Cook.

I am informed that the medical research program funded by his amendment would apply to the entire horse industry. If I am wrong, the members of the committee now in the Chamber can correct me.

Mr. HOLLAND. Mr. President, I yield myself 2 minutes and then I shall be glad to yield to the Senator from Rhode Island.

The PRESIDING OFFICER (Mr. HOLLINGS). The Senator from Florida is recognized for 2 minutes.

Mr. HOLLAND. Mr. President, testimony on this subject appears on page 1373 of part 2 of the hearings of our committee. That testimony shows that the industry they are talking about covers all horses and that it is a \$12 billion industry dealing with over 7 million horses and approximately 500,000 people at the present time. I quote now from that testimony:

We have about 225,000 4-H horse projects in the United States. This is only a small part of the total youth horse programs.

The 4-H programs, as Senators know, are administered through the Extension Service of the Department of Agriculture and the extension services in the various States.

Speaking now only of the 4-H activities:

They anticipate this amount will go to 500,000 horses within the next ten years.

That should answer, in large part, the question of my good friend from Rhode Island.

Mr. PASTORE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HOLLAND. Mr. President, I am glad now to yield to the distinguished Senator from Montana (Mr. METCALF) for 2 minutes.

The PRESIDING OFFICER. The Senator from Montana is recognized for 2 minutes.

Mr. METCALF. Mr. President, this is a matter which I have brought before the Senate many times. During consideration of the tax bill, I called the attention of the Senate to the outrageous subsidies we are paying to nonagricultural people, such as the horse people, in order to permit them to continue to operate as a result of tax benefits. But, on top of that, the Senator from Florida is going to give them \$100,000 for research. He talks about ponies and horses for work purposes, and so forth, but this is research for racehorses. This is research for quarterhorses. This is research for the people, as the Senator from Vermont pointed out, who enjoy high incomes and are taking a subsidy and are also taking a deduction from their incomes in order to run their hobby farms.

If anyone came to me and said, "Well, let us have a research program for fighting cocks," that might be justified because we do not have very many hobby farms for fighting cocks. But we do have an outrageous situation so far as horseracing is concerned. All we have to do is look at the sports pages of a newspaper every day and we can read where some racehorse has been retired to stud by a million-dollar corporation.

We do not need to help those people with a \$100,000 research bonus.

Mr. HOLLAND. Mr. President, I want to read additional excerpts from the testimony.

There are presently three equine research projects now underway. They are research on piroplasmosis, which deals with the infection of the blood which is carried by ticks, research on equine anemia in an attempt to determine what causes that disease and research on African horse sickness which is carried on at Plum Island, N.Y. When we started this research some time ago, no one here seemed to have any objection to trying to save the horses of this country.

The point I want to make, though, is that the horse owners have created a foundation of their own, the Grayson Foundation in Lexington, Ky., which spent since 1957, \$1,900,000 in grants to various colleges for research on the horse, the Morris Foundation of Denver, Colo., has spent \$580,000. There are also other industry groups who have contributed to research in this field.

This matter is not sponsored by the Senator from Nebraska and the Senator from Florida, but it does relate to a large industry, and one which we think is entitled to a little bit of help in trying to reduce their heavy losses.

Mr. HRUSKA. Mr. President, I suppose on any subject of this kind we can point to abuses and point to things which are not particularly savory but, on the other hand, there are many aspects of the horse industry which are not only respectable but highly desirable.

I know of no one who would want to deny support for over 200,000 boys and girls who engage in 225,000 4-H horse projects which now exist, or object to the idea of having a less disease-ridden horse population in this country.

Mr. President, it is estimated that the annual losses from horse diseases is over \$525 million. These losses are shared by people who are not tax dodgers, they are not people trying to swell their losses so that they can make further deductions from their income tax. This is not just confined to horse racing. There are thousands of riding clubs in the country who would benefit. I shall not take the time of the Senate to describe the items of justification made during the course of the hearing. I do ask unanimous consent to have printed in the RECORD pages 89 to 92 of the memorandum which was submitted to us in the Appropriations Committee dealing with this particular subject.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

JUSTIFICATION OF HORSE RESEARCH

Senator SMATHERS. We feel we are justified in asking for Federal money for research on horses for two reasons. One is the impact that the horse industry has on the economy of the country. We are talking about a \$12 billion industry dealing with over 7 million horses, and with approximately 500,000 people. We have, in addition, the effect that horses have on the social life of our country. When I speak of "the social life," I am talking about the families and children, the 4-H, the future farmers, and those types of people who have gotten very much involved with horses.

At the present time, we have about 225,000 4-H horse projects throughout the United States and this is only a small part of the total youth horse program. The 4-H programs, as you know, are administered through the Extension Service of the Department of Agriculture and Extension services in the various States. They anticipate this amount will go to 500,000 within the next 10 years.

WHY IS RESEARCH NEEDED?

It is interesting to note that the horse industry, as such does not enjoy any price supports or subsidies from the Federal government. Yet the horse owner and breeder like every other farmer in America has borne the brunt of skyrocketing costs. One of these costs is his annual losses from horse disease and from problems of nutrition and reproduction.

It is estimated that the annual losses from horse diseases is over \$525 million. Yet less than \$1 million is now being expended on the research of horse diseases. This Research-Loss ratio of 1 to 525 is totally inadequate. With increased research, these losses could be reduced.

Putting it another way it is generally accepted that there is an annual loss from disease in any breed of animals approximating 10 to 15 percent of the total value of that livestock population. Our best estimates the value of the horse population in the United States is \$3½ billion. There is approximately \$1 million presently being spent annually in horse research by government and private agencies. Thus, the annual amount spent in horse medical research is an appalling 2 tenths of one percent of the losses each year.

It is not only the rapid growth in numbers of horses that has intensified the need for medical research but the problem is further complicated and the dangers increased by the extensive movement of horses nationally and internationally.

HOW MUCH RESEARCH IS BEING DONE TODAY AND BY WHOM?

During the period of 1965-69, estimates by the Morris Animal Foundation show that the following amounts were spent by all sources on medical equine research:

Total spent by Federal Government	\$1,370,000
Total spent by State governments	1,700,000
Total spent by private sources (individuals, breed associations, corporations and foundations)	1,630,000

The total amount spent over the 5 year period amounts to about \$4,700,000, or only about \$940,000 annually. This is an insignificant amount in relationship to the need.

By the Federal Government

Research in horse diseases by the Federal Government is being conducted by the Department of Agriculture in the Animal Disease and Parasite Research Division of the Agriculture Research Service. Primarily, this research relates to two diseases—piroplasmosis and equine infectious anemia.

Equine piroplasmosis is a malaria type blood disease which originally showed up in this country in 1963. This is one of the most decimating of diseases and is highly contagious with horses. This research has been carried out by the Beltsville Parasitological Laboratory and by contract with the University of Florida and the University of Kentucky. According to the information we were able to obtain the combined funds expended on this research totalled about \$278,700 during 1968 and 1969; \$174,900 is budgeted in the fiscal year ended 1970.

Progress is being made in the control of piroplasmosis and recent breakthroughs have been made for the diagnostic test for the carrier animal. Needless to say, the research of this disease must be continued.

Equine infectious anemia, (swamp fever) is another serious contagious disease. Research of this disease has been conducted by the National Animal Disease Laboratory and through cooperative agreements with Louisiana State University, Texas A & M and Washington State. It is our understanding that total funds expended on this research during the 1967-1969 period amounted to approximately \$609,000; \$215,000 is budgeted in the fiscal year ended 1970.

Equine infectious anemia is caused by a virus unlike other viruses. Research progress is slow. Although progress has been made, there is much research to be done and it is essential that this program be continued.

African horse sickness has been researched by the Agriculture Research Service Exotic Disease Laboratory at Plum Island. This disease has not thus far been found in the United States. Only a small amount of funds are now being expended to keep previous research up to date.

By private organizations

There are two organized and well-qualified equine research foundations coordinating and allocating funds secured from individuals and the breed organizations to perform research on the horse. One is the Grayson Foundation of Lexington, Kentucky. Since 1957, this foundation has expended over \$1,900,000 in grants to various colleges for research in the horse.

The other foundation is the Morris Animal Foundation of Denver, Colorado. Since 1950, it has administered research funds to horse projects approximating \$580,000.

The California Thoroughbred Breeders Foundation recently spent over \$35,000 at the University of California at Davis in various areas of horse research.

The American Quarter Horse Association, the largest breed association in the United States, has spent some \$600,000 in equine research since 1960 in areas of infectious diseases, nutrition and control of parasites.

WHAT RESEARCH IS NEEDED?

Medical Equine research falls into two broad categories—horse diseases and horse husbandry. Research is urgently needed in both of these categories.

Disease research

The diseases which cause losses to the horse population fall into two general classes—those caused by parasites and those caused by bacteria and viruses.

Parasitic diseases are probably responsible for about 30 to 40 percent of the losses to the horse population each year. Yet, other than piroplasmosis research there is now no research being done in this area by the Federal Government and little is being done by anyone else. Research on helminths (worms) is particularly needed.

The Beltsville Parasitological Laboratory of the Animal Disease and Parasite Research Division, is a well suited, established, location for the needed increase in research of parasitological horse diseases. It has a highly qualified staff.

Bacteria and virus diseases.—Horse diseases caused by bacteria and viruses are primarily respiratory diseases or reproductive diseases. The reproductive diseases which cause abortion are very costly to the horsemen.

The only research by the Department of Agriculture in the field of diseases caused by bacteria and viruses is the research in equine infectious anemia. Other diseases are in drastic need of research. The Animal Disease and Parasite Research Division is well equipped to commence such research in its own facilities and through cooperative agreements with colleges and universities.

Husbandry research

Horse husbandry research includes the development of more productive adaptable breeds and types of horses for specific use purposes, nutritional requirements related to feed supplies, ration compounding, feed mobilization and transportation, incidence of indigestion, improved reproduction and application of artificial insemination, disposition and performance related to specific needs, and reduction of unsoundness.

Improved reproduction performance.—The fact that 1/2 of the mares bred each year fail to deliver a foal greatly contributes to the losses of the industry and accounts for the limited supply of desirable horses and their cost. Very little information is available on the many causes of reproduction failure; even less information is available on how to eliminate the cause.

The feeds and feeding of light horses.—As with other classes of livestock, feed is the most costly item in maintaining a horse. If feed costs could be reduced without any loss in nutritional levels, the value to the industry would be substantial. Also feeds need to be improved to minimize the characteristic problems of digestive disturbances, colic, and founder. Numerous questions regarding feeds remain unanswered—questions such as: what is the value of feed additives, antibiotics, and vitamin supplements; can nutritional rationing improve disposition and performance; and what is the relationship of feeding and management to injury and unsoundness?

Development of more productive and adaptable horses.—Performance in a horse means a number of different things—speed in the race horse, endurance and maneuverability in the cattle and rodeo horse, disposition and dependability in the trail horse.

It appears that performance measurement indices are empirical and not well developed or practical in a large segment of the horse industry.

Measurement of performance criteria is the basis of genetic improvement and selection for desirable traits. In order for breeders and

associations to make more progress they need reliable information to measure performance, inheritability of traits such as disposition and unsoundness, and recommendations on selection and breeding systems.

Horse Management.—This area includes reproduction and development of more productive adaptable horses which were discussed above. It also includes such items as housing, training, avoidance of disease and unsoundness, equipment for both the horse and the rider and horsemanship. New information is needed in this area. It would be particularly valuable to those 187,000 young boys and girls who are now participating in 4-H projects. Such research might make it possible for thousands of additional youngsters to be able to enjoy and afford the pleasure of owning a horse.

Minimum funds required

In order to meet the minimum research needs for horse diseases, a total of 7 science man-years should be added to the Federal Research program. This is in addition to the continuation of the \$390,600 for equine infectious anemia and piroplasmosis research. These 7 additional science man-years are essential for research in the following areas:

	Science man-years
1. New research in parasitic diseases....	2
2. New research in respiratory diseases...	2
3. New research in reproduction diseases	2
4. New research in arteritis.....	1
Total	7

In order to meet the very minimum research needs in the area of horse husbandry, 4 science man-years are needed. The Animal Husbandry Division of the Agricultural Research Service had indicated that twice this number are really needed to meet the problem.

Our total request for medical equine research or diseases and husbandry amounts to \$1,270,000. This is based on \$80,000 as the cost of a science man-year. This is an increase of \$80,000 over the amount currently budgeted.

This is a minimum request since twice that amount is really needed and could be effectively used. We believe that such a request is appropriate for an industry that contributes \$12 billion to our gross national product and more than \$450 million to State and local governments through real estate and palmituel revenues.

With current annual losses from horse disease costing the industry \$525 million, we believe the \$880,000 increased appropriation is a sound investment for the Federal Government. If we could cut those losses by a fraction of 1 percent, the Federal Government would more than recoup this requested appropriation in increased tax revenues.

We also request the Committee to recommend that a significantly larger percentage of Hatch Act funds and competitive grants be designed for horse research. This year only \$159,708 of the \$55 million Hatch Act appropriation is being spent on Federal-State cooperative projects in horse research.

The PRESIDING OFFICER (Mr. HOLINGS). Do all Senators yield back the remainder of their time?

Mr. COOPER. I yield back the remainder of my time.

Mr. HOLLAND. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Kentucky (Mr. Cook).

On this question the yeas and nays

have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN (when his name was called). On this vote I have a pair with the Senator from Kentucky (Mr. Cook). If he were present and voting, he would vote "yea"; if I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. BYRD of West Virginia. I announce that the Senator from Connecticut (Mr. DONN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Tennessee (Mr. GORE), the Senator from Indiana (Mr. HARTKE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wyoming (Mr. MCGEE), the Senator from Georgia (Mr. RUSSELL), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL), and the Senator from North Carolina (Mr. JORDAN) are absent on official business.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Nebraska (Mr. CURTIS), and the Senator from California (Mr. MURPHY) are necessarily absent.

The Senator from Kentucky (Mr. Cook), the Senator from Illinois (Mr. PERCY), and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) and the Senator from Maine (Mrs. SMITH) are absent because of illness.

The Senator from Texas (Mr. TOWER) is detained on official business.

If present and voting, the Senator from Nebraska (Mr. CURTIS), and the Senator from South Dakota (Mr. MUNDT) would each vote "yea."

The pair of the Senator from Kentucky (Mr. Cook) has been previously announced.

If present and voting, the Senator from Maine (Mrs. SMITH) would vote "nay."

On this vote, the Senator from California (Mr. MURPHY) is paired with the Senator from Texas (Mr. TOWER). If present and voting, the Senator from California would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 40, nays 38, as follows:

[No. 229 Leg.]

YEAS—40

Allen	Fong	Pearson
Allott	Gurney	Randolph
Anderson	Hansen	Saxbe
Bayh	Harris	Scott
Bellmon	Hart	Sparkman
Bible	Hatfield	Spong
Boggs	Holland	Stennis
Byrd, Va.	Hruska	Thurmond
Byrd, W. Va.	Javits	Tydings
Case	Long	Williams, N.J.
Cooper	Mathias	Yarborough
Dole	McGovern	Young, N. Dak.
Ellender	Montoya	
Fannin	Packwood	

NAYS—38

Aiken	Goodell	Muskle
Bennett	Hollings	Nelson
Brooke	Hughes	Pastore
Burdick	Inouye	Pell
Cannon	Jackson	Prouty
Church	Jordan, Idaho	Proxmire
Cotton	Mansfield	Ribicoff
Cranston	McClellan	Schweiker
Dominick	McIntyre	Smith, Ill.
Eagleton	Metcalfe	Talmadge
Ervin	Miller	Williams, Del.
Fulbright	Mondale	Young, Ohio
Goldwater	Moss	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Griffin, against.

NOT VOTING—21

Baker	Hartke	Murphy
Cook	Jordan, N.C.	Percy
Curtis	Kennedy	Russell
Dodd	Magnuson	Smith, Maine
Eastland	McCarthy	Stevens
Gore	McGee	Symington
Gravel	Mundt	Tower

So Mr. Cook's amendment was agreed to.

Mr. HRUSKA. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLAND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. TADMADGE). The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 17923) was read the third time.

FUNDS FOR RURAL DEVELOPMENT

Mr. YARBOROUGH. Mr. President, the agricultural appropriation bill is of great significance to all of the people of the Nation, not only our rural citizens.

There are some programs being funded in this bill which will have their most direct impact upon rural citizens and rural communities. It is with great pleasure that I call the attention of my colleagues to an item of great significance in the move toward rural development.

The Appropriations Committee, on which I have the honor of serving, has recommended that \$10,400,000 be included in the budget of the Cooperative Extension Service. These funds were requested in order to conduct extension activities for State and multicounty rural community development.

The House appropriations bill denied this urgently needed money to the Cooperative Extension Service. Our subcommittee recommended that half of the budget request be granted, which would have been \$5,200,000. The full committee gave further consideration to the need to increase our efforts in rural community development, and now recommends that the full request for \$10,400,000 be appropriated.

These funds will be used for additional Extension Service personnel who will help rural communities with their development programs and assist in the initiation of imaginative programs. The Cooperative Extension Service already has done extensive work and has provided leadership in organizing USDA

committees at the State, district, and county levels.

The additional personnel are needed to support the work of these committees.

Because it is so important to our Nation that our rural areas be strong and vital, I urge my colleagues to support this appropriation of \$10.2 million for our Cooperative Extension Service. It is also my hope that when this bill is in conference, that we stand firmly behind this appropriation for rural community development.

RURAL ELECTRIFICATION AND TELEPHONE LOANS

Mr. YARBOROUGH. Mr. President, the distinguished senior Senator from Florida (Mr. HOLLAND) is to be commended for his great knowledge, dedication, and concern for the needs of our rural citizens. He has provided outstanding leadership to those of us on his subcommittee and on the full committee.

It gives me great pleasure to bring to the attention of my colleagues, the committee recommendation for rural electrification and rural telephone loans. In this area, the committee has demonstrated great foresight and judgment in providing adequate loan funds for these programs. Without adequate communication facilities and without adequate electrical power, we cannot make true progress toward rural development.

The committee recommendation for loan authorization for electrification loans is \$352,000 in new obligational authority. This amount, combined with carryovers will provide an electrification loan level of \$375 million in fiscal year 1971.

This is a modest increase, but a much needed one. The increase is \$30 million over the budget request and the House recommendation.

The committee also recommends an increase in the loan authority for telephone loans. The amount of obligational authority provided is \$138,800. Combined with the carryover from this year, this will provide for a program level of \$140 million for the coming fiscal year.

This represents a \$15 million increase over the budget proposal and the House bill.

I urge my colleagues to support the committee's recommendations on these important programs.

Mr. HARRIS. Mr. President, I wish to commend the distinguished Senator from Florida (Mr. HOLLAND) and members of the Agriculture Appropriations Subcommittee for their outstanding work on this bill. The committee has restored such items as the agricultural conservation program and has strengthened programs under the Soil Conservation Service which are so important to the preservation of our soil and water resources.

The President in his 1971 budget recommended the discontinuation of the agricultural conservation program. The Senate bill recommended the appropriation of \$190 million. This is somewhat below the figure adopted by the House, and I would hope in the conference committee that the House figure will be adopted.

Under the soil conservation the committee has recommended the continua-

tion of a water upstream flood control program under Public Law 566, a bill which has meant so much to flood protection and soil and water conservation in the past few years. For watershed planning the Senate committee recommended the appropriation of \$5,434,000 which was somewhat below the figure recommended by the House. For watershed works of improvement the Senate committee recommended \$76 million, which was \$2,278,000 more than that requested by the House. For flood prevention the Senate bill requested the same amount as the House—\$21,037,000. It is my hope that during consideration by the conference committee that the maximum amounts will be approved for these three programs under the SCS.

I strongly support these actions of the committee, and I further support the increase recommended for loans under the Rural Electrification Administration. For REA loans the Senate committee recommended the appropriation of \$352 million, which was \$30 million more than that requested by the House committee. Once again, I am hopeful that this figure as recommended by the Senate will be adopted by the conference committee. With the power crisis facing the country I feel it is imperative that we continue and strengthen this program at least by the minimal increase suggested by the Senate in this bill.

SCHOOL LUNCH PROGRAM

Mr. HART. Mr. President, today marks the milestone for the children of America. Today we can turn rhetoric to reality. For years we have promised to provide needy children with school lunches, but have done all too little to provide the funds necessary to pay for them.

In 1962, I first realized the full extent of these broken promises in my own State of Michigan where only a small fraction of the needy children in Detroit were receiving free or reduced price lunches. Privileged as I was at that time to serve on the Committee on Agriculture and Forestry, I saw that the problem in Michigan was typical of the Nation—the lunch program was not feeding the neediest of our children.

At the time I entered the school lunch fight, in 1962, section 11 of the National School Lunch Act which authorizes the appropriation of funds to assist needy children was enacted. But Congress provided no funds under this authority.

It was not until 1965 that we first obtained funds under this section—\$2 million. A small sum but nonetheless the first money ever appropriated. This was our first real victory—more meaningful perhaps as a symbolic "breakthrough" than in its actual accomplishment.

Over the last 5 years section 11 funding grew slowly, as it became apparent that not only money but legislative reform was needed if the promise of the National School Lunch Act to "supply lunches without cost or at a reduced cost to all children unable to pay" was to become a reality.

This year under the leadership of the distinguished chairman of the Select Committee on Nutrition and Human Needs, the junior Senator from South

Dakota, and the distinguished junior Senator from Georgia, Congress enacted legislation that with full funding should provide the framework to make good the promises of the past, and on May 14, President Nixon signed the new bill into law.

At the time of the debate on that bill I argued that a great deal more money was needed than the \$200 million the administration had requested for free and reduced price meals if this new bill was to be more than the empty promises of the past. I am pleased that the administration has come to realize this as evidenced by their recent request for an additional \$217 million for the national school lunch program.

While this may prove to be less than is needed to bring every needy child the meal that Public Law 91-248 guarantees, it is a more encouraging step. This is especially true since the reports of both the House and the Senate Appropriations Committees demonstrate Congress' commitment to adequate funding of our child nutrition programs by encouraging the administration to come back with supplemental requests should appropriations be insufficient to achieve the goals of the new law.

While I doubt that there will be need for more money this year, since many schools will not, in fact, have time to gear up to bring meals to every child, next year will be a different story. As the analysis that I offer for the record points out, there is a potential \$90 million deficit which will probably not be realized this year, but will have to be dealt with next year.

At that time, I believe, based on recent events, we will all be ready to go the rest of the way to feeding all of America's schoolchildren.

Mr. President, I ask unanimous consent that there be inserted in the RECORD at this point an analysis of the cost of complying with Public Law 91-248.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

THE COST OF COMPLYING WITH PUBLIC LAW 91-248 AND THE EXTENT OF AVAILABLE RESOURCES

The following is a statistical analysis, based on Bureau of the Census and Office of Education data, of the cost of complying with the free and reduced price lunch requirements contained in Public Law 91-248 as signed by the President on May 14, 1970. Those requirements would, at a minimum, compel those school districts that receive cash and/or commodities from the Federal government in support of their lunch programs to serve a free or reduced price lunch to every child from a household whose annual income falls within the accepted definition of "poverty." The neediest of this group are to receive free meals. Children from households with incomes above the poverty line would still be entitled to free or reduced price meals if their local school district or state deemed them to be unable to pay the full cost of the meal.

I. THE COST

The cost of providing a free and reduced price lunch throughout the school year to all school children from poverty households depends on three variables: the average cost of lunch; the total number of lunches to be consumed by each pupil during the year; and the total number of poor children to be reached.

(a) The average cost of lunch: Information released by the Department of Agriculture in April reveals that the average nationwide cost of a school lunch in fiscal year 1970 is estimated to be 62 cents, up 2.8 cents from fiscal 1969. If the 2.8 cent cost increase (or 5% rise) is projected to the following fiscal year, then 65 cents should represent the average cost of a lunch in fiscal 1971. Of course, many of the lunches being served then would be meals served for the first time in schools without cafeterias, which might mean an even higher average cost because of resort to the potentially more expensive methods of central or satellite kitchens (high labor costs) and outside caterers (high profits).

(b) The annual number of lunches per pupil: The latest available data from the Office of Education fix 163.5 as the average number of days attended per pupil enrolled in all schools in the United States in school year 1965-1966. Digest of Educational Statistics 1969, p. 24. A lunch would be needed for each pupil day of attendance.

(c) The total number of poor children: According to Series P-60, No. 68, December 31, 1969 of the Bureau of the Census Current Population Reports, entitled Poverty in the United States: 1959 to 1968, in 1968, there were 10,739,000 individuals under 18 living in families below the poverty level as revised in August, 1969 (nonfarm family of four—\$3,553 annually; farm—\$3,034) and that there were 608,000 unrelated individuals over 14, but under the age of 25, who were below the poverty level. The target group bridges ages 5 through 17. Thus, 13/18th of 10,739,000 and 4/11th of 608,000 or approximately 7,977,000 represents the baseline group of school-age children from households below the poverty level.

There are three adjustments that should be made to this figure to derive the school-attending children from households below the poverty level as of school year 1970-71.

First, it is necessary to make an upward correction to provide for those children between the current \$3,553 nonfarm and \$3,034 farm poverty lines for families with four members and the comparable \$3,800/\$3,200 poverty guidelines that, pursuant to the Conference Report on the new school lunch act, should soon be promulgated by the Secretary to govern receipt of free or reduced price lunches. While precise data is not obtainable, a 5% add-on seems appropriate, since, in 1968, 5% of all poverty families had an income deficit of \$200 to \$300 between their total income and the poverty level. This correction would necessitate an overall adjustment upward to 8.4 million children.

Two other significant adjustments involve program timing and the dropout phenomenon. The 8.4 million figure fails to take into account the fact that the poverty lunch standard will be implemented in school year 1970-71 and beyond, not 1968. The number of family members under 18 from families below the poverty level has declined by an average of 647,000 over the past ten years and 990,000 during the last five. The poor unrelated individuals 14 to 25 have increased by an average of 10,000 and 27,000, respectively, over the same period. It is doubtful that the same high rates of decline for family members should be projected forward from 1968 to 1970-71 because of the increasing rate of unemployment (5.0%). Nonetheless, it must be noted that in 1964 that rate never slipped below a 5.2% annual average, while the children poverty decline was 1.35 million. Further, the Department of Labor, in calculating the impact of increased unemployment on family assistance costs has determined that "although unemployment almost always results in some loss of income to the individual worker and his family, in only rare instances does it drive family income below the poverty line." If the decline rate is adjusted moderately downward to approximately 400,000 (when unem-

ployment exceed 5.2 and even 6%, from 1960 to 1964 it averaged 388,000) and if this rate of decrease is limited by 13/18th to children of school age, then the number of schoolage children in poverty in 1970-71 would be approximately 7.825 million. By the end of 1971, the figure should be closer to 7.54 million.

The final adjustment involves school dropouts—those children of school age who, for various reasons, fail to attend school. The current count is approximately 750,000, the vast majority (two-thirds) assuredly in the poverty category. Again, a drop in the target population to no more than 7.325 million in 1970 and in the vicinity of 7 million by the end of 1971, with 7.25 million a reasonable school year average. In fact, the Department of Agriculture's own estimate of needy pupils at 6.6 million derives from their calculation that 7.3 million children should be served, but only 163.5 times a year. Over the course of the full school year of 180 days, this means that 6.6 million free or reduced price lunches would be required daily.

The arithmetic for 7.25 million pupils yields an annual cost for fiscal year 1971 (school year 1970-71) of \$770.5 million (\$106.28 per pupil per year or 163.5 x \$.65).

This cost represents the bare minimum compelled by the provisions added by the 1970 law. The 1946 law itself requires additional expenditures if a child is "unable to pay the full cost of the lunch" even if his family's income exceeds the poverty level. The determination of that inability is up to local school authorities who can set their own guidelines higher than poverty. This has already happened and will continue to happen in major urban centers like New York. The impact of this on the cost of producing free and reduced price lunches is uncertain, but, for every 1 million additional eligible pupils, the total cost to be met would rise by \$106 million.

II. FUNDING SOURCES

The various available funding sources must be arranged against this projected overall free and reduced price lunch outlay.

(a) Department of Agriculture: The best estimate of the Department's overall input into free and reduced price lunches in fiscal year 1971 in the form of cash and commodities is approximately \$490 million. That input consists of 89% in cash and 11% in commodities. The cash amount flows from \$356 million in specifically appropriate funds under Section 11 (\$200 million), Section 32 (\$4.3 million), and special Section 32 (\$151.7 million). In addition, free and reduced price lunches receive \$61.3 million out of the \$224 million Section 4 pot. The calculation of this contribution to the free and reduced price lunch bill is based upon the fact that free and reduced price lunches are expected to constitute 1.2 billion of the 4.394 billion lunches served in fiscal year 1971 (6.6 million children of the 24.4 million participating each of 180 school days or 7.3 million children for 163.5 days) or 27.3% of all lunches. Since the \$224 million in Section 4 funds will be distributed on an across-the-board basis, 27.3% of the Section 4 funds or \$61.3 million should go into free and reduced price lunches. On the same assumption, some \$72.1 million of the \$264.5 in commodities will be used in free or reduced price lunches.

(b) Other Federal funds: Other Federal agencies have provided support in the past for free and reduced price lunches for children 5 through 17 and are expected to continue to do so in 1970-71 on a declining basis including Title I, ESEA (estimated \$25 to \$28 million); Johnson-O'Malley (\$2 million); Title I-migrant education (\$3.1 million); Title I-handicapped children (\$2 million); Follow Through (\$3 million); Model Cities (\$2 to \$4 million); and Head Start (estimated \$4 to \$10 million for feeding 5-year-olds). This non-USDA total conservatively will approximate \$40 to \$45 million.

(c) State and local revenues: The Department's estimates on sources of 1970 funds indicate that state and local governments contributed \$210 million of their own funds to the program. At a minimum, 27.3% of this contribution would aid the service of free and reduced price lunches or \$57.3 million, assuming that the level would be maintained in 1971. Indeed, this clearly understates the state and local revenues used for this specific purpose, since many states and cities will be devoting their funding exclusively to help the needy, for example, Illinois with \$6.75 million; California with \$6 million; Maryland with \$2 million; New York with \$25 million-plus; Baltimore with \$500,000; Atlanta with \$750,000; San Francisco with \$330,000; Detroit with \$400,000; the District of Columbia with \$2.85 million; and New York City with slightly over \$15 million. To attribute \$90 million to such revenues is quite reasonable.

At the same time, other local contributions, primarily in the form of in-kind donated aid such as commodities, labor, supplies, equipment, and facilities, will amount to \$365 million. 27.3% of that sum is approximately \$100 million, but the best available estimate of the impact of those contributions in reducing the cash outlay necessary to finance free and reduced price lunches is one-third of that sum or \$33 million.

(d) Children's payments: Section 9 of the National School Lunch Act as revised requires the service of free or reduced price meals. If one out of every five needy lunches served is paid for by the children at an average rate of 10 cents, then approximately \$24 million would be added to the school districts' resources for meeting the needy child lunch service requirement.

TABULAR SUMMARY OF DATA

	Amount (millions)	Per lunch contribution (cents)
Total cost.....	\$770.5	
Funding sources (fiscal year 1971):		0.65
I. USDA:	490.0	.41
(a) Sec. 11.....	200.0	
(b) Sec. 32.....	4.3	.30
(c) Special sec. 32.....	151.7	5
(d) Sec. 4.....	61.3	5
(e) Donated commodities.....	72.1	6
II. Other Federal.....	40.0(45)	3.5
III. State and local revenues.....	90.0	7.5
IV. State and local in-kind.....	33.0	3
V. Children's payments.....	24.0	2
Total funding.....	677.0(682)	.57
Funding gap.....	(93.0)(88)	.08

CONCLUSION

At least \$90 million more will be necessary in fiscal year 1971 to assure the daily service of a free or reduced price lunch to every needy child, if as is highly unlikely, the school districts are uniformly willing and able to produce such meals on the first day of school in September and every school day thereafter. This is not and will not be the case. But this does not serve to eliminate the potential \$90 million deficit because of the indefinable cost impact of urban schools feeding free or reduced price lunches to children from the \$3,800 through \$5,000 annual income brackets. The \$90 million or a figure in that vicinity will have to be raised somehow before May, 1971, preferably and entirely by a supplemental Federal appropriation in January or February, 1971 reflecting projected participation data, less preferably partly through Federal sources and partly through reduced prices charged less needy children.

The PRESIDING OFFICER. Do Senators yield back the remainder of their time?

Mr. HRUSKA. Mr. President, I yield 2 minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. WILLIAMS of Delaware. Mr. President, the Senate is upholding its traditional reputation of being the upper House. This bill as reported by the committee was \$171,480,600 over the budget request. In acting on the bill the Senate has added another \$800 million, with the result that the bill as it now stands is \$970,580,000 over the budget.

Mr. President, I think this should be mentioned because I am wondering just how long we can continue to add on to all of these appropriation bills. H.R. 17548, the appropriation bill for independent offices, was \$1,185,380,000 over the budget; the education appropriation bill was \$984,300,000; and the second supplemental was \$671,800,000 over the budget.

All together, in just these three or four appropriation bills, we have added on a total of \$3.810 billion over the budget so far this year, and there has not been a cut in a single one yet.

I think the Senate should be reminded of the fact that we operated with a deficit in the past fiscal year in excess of \$1 billion a month. The projection for next year, as near as we can determine, is a deficit of about \$1.5 billion a month, even without adding the additional expenditures in these bills.

I am wondering how Members are planning to raise the taxes to provide this revenue or whether they are planning to just increase the national debt to finance it, as we have been doing in the past.

In fairness to the Senator from Florida, who is managing this bill, it should be pointed out that the most of these additions were approved by the Senate over his strenuous objection.

Irresponsible spending by the Congress is to a large extent responsible for the inflationary spiral which is now causing so much concern. During recent months many Members of Congress have expressed concern over this inflation with its accompanying high interest, and yet far too often they are the same Members who when voting have insisted upon these ever expanded expenditures. Millions of American citizens who are living on fixed incomes or who are retired are being pauperized as the result of this inflation.

I think the time has come when the Senate should face up to its responsibility to hold these appropriation bills in line, and the only way to do that is by our votes. I shall vote against this appropriation bill even though there are many features in it with which I strongly agree. I do not think we should continue this erosion of the American dollar.

Mr. HOLLAND. Mr. President, the bill, as reported by the committee, was \$333,842,050 under the appropriation act for 1970.

Mr. MOSS. Mr. President, will the Senator yield?

Mr. HOLLAND. Mr. President, I yield to the Senator from Utah.

Mr. MOSS. Mr. President, the distinguished Senator from Wyoming (Mr. McGEE) is not able to be here today. He

is out of the city. I shall ask unanimous consent that a statement he had prepared be printed in the RECORD in connection with the bill.

The statement of the Senator from Wyoming comments on the fact that the Senator from Florida, the chairman of the Committee on Agriculture Appropriations, has done a very distinguished job and he has been largely responsible for guiding agriculture appropriation bills through the Senate for many years.

I would like to associate myself with the remarks that have been prepared by the Senator from Wyoming and commend the Senator from Florida for the fine work he has done. The Senator from Wyoming notes that, since the Senator from Florida announced he will retire, he is conducting at this time for the Senate the appropriation bill on agriculture and he should be recognized for the great service he has performed.

Mr. President, I ask unanimous consent that the statement of the Senator from Wyoming be printed in the RECORD.

There being no objection, the statement by Senator McGEE was ordered to be printed in the RECORD, as follows:

Mr. McGEE. Mr. President, with the conclusion of Senate deliberations on the Appropriations bill for the Department of Agriculture for fiscal year 1971, we will mark the termination of an era in the U.S. Senate. I refer, of course, to the announced retirement of the Senior Senator from the State of Florida and the distinguished Chairman of the Agriculture Appropriations Subcommittee. The close of this present session of Congress will mark the end of a distinguished career spanning almost a quarter of a century for the Senator from Florida, and I could not let this occasion pass without comment.

During his career the Senator from Florida has been most active and most effective in many areas but particularly in the field of agriculture. By virtue of his Chairmanship of the Agriculture Appropriations Subcommittee and his senior status as a member of the legislative committee, he has been one of the key figures in Congress in formulating and implementing policy in this all-important area. During this period he has seen many innovations in the industry and the legislative changes that have been enacted. More importantly perhaps, he has taken the initiative in many matters, both legislatively and fiscally, to insure that this vital industry keep pace with modern requirements to better serve the United States and the free world.

The agriculture industry is one of the major elements of the economy of my State of Wyoming and undoubtedly will continue to be so in the future. For that reason we in Wyoming are particularly indebted to the Chairman for the many contributions he has made to the industry, and we look forward to building on his record for the betterment of agriculture in the years ahead.

In exercising the duties and responsibilities as Subcommittee Chairman, the Senator from Florida has gained the reputation of being fair-minded, thorough and responsible. While the Department has grown and its programs expanded, the Senator has seen to it that all aspects of the Department's budget requests have been most thoroughly and completely reviewed and considered. Witnesses appearing before the Subcommittee could be assured that they would be treated with courtesy and consideration. At the same time they were always aware that their testimony would be carefully received and scrutinized by the Chairman. This is, in my opinion, the way it should be, and I certainly respect the Chairman for his practices in this regard.

Undoubtedly many of us will have much more to say on this subject as the Senator's retirement draws nearer, but I thought it was appropriate today to make these brief remarks as we consider this Appropriations bill. This bill, and others for which he has so skillfully and effectively provided leadership and direction, will serve as a testimonial to his long and dedicated service. Speaking as a member of his Subcommittee, I want to take this opportunity to express my personal appreciation to the Chairman for his counsel and the many courtesies he has extended to me.

Mr. HOLLAND. Mr. President, I yield myself 10 seconds in order to express very great gratitude to the Senator from Utah and the Senator from Wyoming. I had no notice of the purpose when I yielded to the Senator, but I am grateful to him.

The PRESIDING OFFICER. Do Senators yield back the remainder of their time?

Mr. HOLLAND. I yield back the remainder of my time.

Mr. HRUSKA. I yield back the remainder of my time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Connecticut (Mr. DODD), the Senator from Mississippi (Mr. EASTLAND), the Senator from Tennessee (Mr. GORE), the Senator from Indiana (Mr. HARTKE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wyoming (Mr. MCGEE), the Senator from Georgia (Mr. RUSSELL), the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL) and the Senator from North Carolina (Mr. JORDAN) are absent on official business.

I further announce that, if present and voting, the Senator from Alaska (Mr. GRAVEL), the Senator from Washington (Mr. MAGNUSON), the Senator from Wyoming (Mr. MCGEE), the Senator from Missouri (Mr. SYMINGTON), and the Senator from North Carolina (Mr. JORDAN) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Nebraska (Mr. CURTIS), and the Senator from California (Mr. MURPHY) are necessarily absent.

The Senator from Kentucky (Mr. COOK), the Senator from Illinois (Mr. PERCY), and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) and the Senator from Maine (Mrs. SMITH) are absent because of illness.

The Senator from Arizona (Mr. GOLDWATER) is detained on official business.

If present and voting, the Senator from Nebraska (Mr. CURTIS), the Senator from South Dakota (Mr. MUNDT), the Senator from Illinois (Mr. PERCY),

and the Senator from Maine (Mrs. SMITH), would each vote "yea."

On this vote, the Senator from Arizona (Mr. GOLDWATER) is paired with the Senator from California (Mr. MURPHY). If present and voting, the Senator from Arizona would vote "nay" and the Senator from California would vote "yea."

The result was announced—yeas 73, nays 6, as follows:

[No. 230 Leg.]

YEAS—73

Aiken	Goodell	Moss
Allen	Griffin	Muskie
Allott	Gurney	Nelson
Anderson	Hansen	Packwood
Bayh	Harris	Pastore
Bellmon	Hart	Pearson
Bennett	Hatfield	Prouty
Bible	Holland	Proxmire
Boggs	Hollings	Randolph
Brooke	Hruska	Saxbe
Burdick	Hughes	Schweiker
Byrd, Va.	Inouye	Scott
Byrd, W. Va.	Jackson	Smith, Ill.
Cannon	Javits	Sparkman
Case	Jordan, Idaho	Spong
Church	Long	Stennis
Cooper	Mansfield	Talmadge
Cranston	Mathias	Tower
Dole	McClellan	Tydings
Dominick	McGovern	Williams, N.J.
Eagleton	McIntyre	Yarborough
Ellender	Metcalf	Young, N. Dak.
Ervin	Miller	Young, Ohio
Fong	Mondale	
Fulbright	Montoya	

NAYS—6

Cotton	Pell	Thurmond
Fannin	Ribicoff	Williams, Del.

NOT VOTING—21

Baker	Gravel	Mundt
Cook	Hartke	Murphy
Curtis	Jordan, N.C.	Percy
Dodd	Kennedy	Russell
Eastland	Magnuson	Smith, Maine
Goldwater	McCarthy	Stevens
Gore	McGee	Symington

So the bill (H.R. 17923) was passed.

Mr. HOLLAND. Mr. President, I move that the Senate do now reconsider the vote by which the bill was passed.

Mr. HRUSKA. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLAND. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HOLLAND, Mr. RUSSELL, Mr. STENNIS, Mr. ELLENDER, Mr. HRUSKA, Mr. YOUNG of North Dakota, and Mr. FONG conferees on the part of the Senate.

Mr. MANSFIELD. Mr. President, with the passage of this measure, the distinguished senior Senator from Florida (Mr. HOLLAND) has marked the final Agricultural Appropriations bill he shall manage on the Senate floor. He has announced earlier this year his intention to retire from the Senate after 24 years of service. It is difficult to imagine any measure brought to the Senate floor dealing with agricultural matters and particularly agriculture's appropriations without the leadership of the able Senator from Florida (Mr. HOLLAND). His record in the Senate over the years has been marked by devotion to duty, attentiveness to his responsibilities both for his

State and the Nation and extraordinary parliamentary skill. Yesterday when the tributes were being paid to Senator HOLLAND, I deferred my remarks until today so that I could include in these tributes the achievement he has accomplished today. A bill of this magnitude and complexity requires extraordinary skill and knowledge to understand; few could manage it—the Senator from Florida makes it look easy.

In addition, I would like to thank the ranking member on this subcommittee, the able Senator from Nebraska (Mr. HRUSKA) as well as the senior Senator from Louisiana (Mr. ELLENDER) both of whom contributed so much to the smooth disposition of this measure.

To all those Senators who offered amendments and participated in the debate, the Senator from South Dakota (Mr. MCGOVERN), the Senator from New York (Mr. GOODELL), the Senator from Illinois (Mr. SMITH), the Senator from Kentucky (Mr. COOPER), and the entire Senate for their cooperation in completing this measure in such an expeditious manner.

Mr. HRUSKA. Mr. President, I take this occasion to congratulate and commend the senior Senator from Florida for having managed so well once again the passage of the agricultural appropriations bill. It is his seventh—as chairman of the subcommittee to which he is assigned.

Also, I express appreciation for the dedicated and diligent efforts of Raymond Schafer, Joe Stewart, and Ed King, staff members of the committee; and Dan Wherry of my own staff. The latter has now had his first experience in this type of legislation. He has acquitted himself well.

EXTENSION OF THE DEFENSE PRODUCTION ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 892, S. 3302. I do this so that it will become the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 3302) to amend the Defense Production Act of 1950, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and insert:

EXTENSION OF ACT

SECTION 1. Section 717(a) of the Defense Production Act of 1950 (50 U.S.C. App. 2166 (a)) is amended by striking out "June 30, 1970" in the first sentence and inserting in lieu thereof "June 30, 1972".

DEFINITIONS

SEC. 2. Section 702 of the Defense Production Act of 1950 (50 U.S.C. App. 2152) is amended—

(1) by inserting "space," after "stockpiling," in subsection (d); and

(2) by adding at the end thereof a new subsection as follows:

"(f) The term 'defense contractor' means any person who enters into a contract with the United States for the production of material or the performance of services for the national defense."

UNIFORM COST-ACCOUNTING STANDARDS

SEC. 3. The Defense Production Act of 1950 is amended by adding at the end thereof a new section as follows:

"COST-ACCOUNTING STANDARDS BOARD

"SEC. 719. (a) There is established, as an agent of the Congress, a Cost-Accounting Standards Board which shall be independent of the executive departments and shall consist of the Comptroller General of the United States who shall serve as Chairman of the Board and four members to be appointed by the Comptroller General. Of the members appointed to the Board, two shall be from the accounting profession, one shall be representative of industry, and one shall be from a department or agency of the Federal Government who shall be appointed with the consent of the head of the department or agency concerned. The term of office of each of the appointed members of the Board shall be four years, except that any member appointed to fill a vacancy in the Board shall serve for the remainder of the term for which his predecessor was appointed. Each member of the Board appointed from private life shall receive compensation at the rate of one two-hundred-sixtieth of the rate prescribed for level IV of the Federal Executive Salary Schedule for each day (including traveltime) in which he is engaged in the actual performance of duties vested in the Board.

"(b) The Board shall have the power to appoint, fix the compensation of, and remove an executive secretary and two additional staff members without regard to chapter 51, subchapters III and VI of chapter 53, and chapter 75 of title 5, United States Code, and those provisions of such title relating to appointment in the competitive service. The executive secretary and the two additional staff members may be paid compensation at rates not to exceed the rates prescribed for levels IV and V of the Federal Executive Salary Schedule, respectively.

"(c) The Board is authorized to appoint and fix the compensation of such other personnel as the Board deems necessary to carry out its functions.

"(d) The Board may utilize personnel from the Federal Government (with the consent of the head of the agency concerned) or appoint personnel from private life without regard to chapter 51, subchapters III and VI of chapter 53, and chapter 75 of title 5, United States Code, and those provisions of such title relating to appointment in the competitive service, to serve on advisory committees and task forces to assist the Board in carrying out its functions and responsibilities under this section.

"(e) Except as otherwise provided in subsection (a), members of the Board and officers or employees of other agencies of the Federal Government utilized under this section shall receive no compensation for their services as such but shall continue to receive the compensation of their regular positions. Appointees under subsection (d) from private life shall receive compensation at rates fixed by the Board, not to exceed one-two-hundred sixtieth of the rate prescribed for level V in the Federal Executive Salary Schedule for each day (including traveltime) in which they are engaged in the actual performance of their duties as prescribed by the Board. While serving away from their homes or regular place of business, Board members

and other appointees serving on an intermittent basis under this section shall be allowed travel expenses in accordance with section 5703 of title 5, United States Code.

"(f) All departments and agencies of the Government are authorized to cooperate with the Board and to furnish information, appropriate personnel with or without reimbursement, and such financial and other assistance as may be agreed to between the Board and the department or agency concerned.

"(g) The Board shall from time to time promulgate cost-accounting standards designed to achieve uniformity and consistency in the cost-accounting principles followed by defense contractors and subcontractors under Federal contracts. Such promulgated standards shall be used by all relevant Federal agencies and by defense contractors and subcontractors in estimating, accumulating, and reporting costs in connection with the pricing, administration and settlement of all negotiated prime contract and subcontract national defense procurements with the United States, other than contracts or subcontracts where the price negotiated is based on (1) established catalog or market prices of commercial items sold in substantial quantities to the general public, or (2) prices set by law or regulation. In promulgating such standards the Board shall take into account the probable costs of implementation compared to the probable benefits.

"(h) (1) The Board is authorized to make, promulgate, amend, and rescind rules and regulations for the implementation of the cost-accounting standards promulgated under subsection (g). Except as otherwise provided in this section, such regulations shall require any defense contractor or subcontractor as a condition of contracting (A) to disclose in writing his cost-accounting principles including methods of distinguishing direct costs from indirect costs and the basis used for allocating indirect costs, and (B) to agree to a contract price adjustment for any increased costs paid to the defense contractor by the United States because of the defense contractor's failure to comply with duly promulgated cost-accounting standards or to follow consistently his disclosed cost-accounting practices in pricing contract proposals and in accumulating and reporting contract performance cost data. The contracting agent for the United States shall agree to price adjustments required as a result of contractor or subcontractor action in compliance with duly promulgated cost-accounting standards or rules and regulations relating thereto. Any such contract price adjustment shall include interest at the rate of 6 per centum per annum on the amount of any overpayment or underpayment of costs, from the date of the overpayment or underpayment, in any case where (i) such failure of the defense contractor is admitted by the contractor, (ii) the contracting agent of the United States agrees to the adjustment as hereinabove provided, or (iii) the adjustment is required as the result of a determination made in accordance with procedures for resolving disputes under the contract. If the parties fail to agree as to whether there has been compliance by the defense contractor or subcontractor with duly promulgated cost-accounting standards, or rules and regulations relating thereto, and whether cost adjustments are required, such disagreement shall constitute a dispute under the contract dispute clause.

"(2) No defense contractor or subcontractor shall be subject to the requirements of this section, if the sales of such contractor or subcontractor under contracts negotiated in connection with national defense procurements, excluding sales of commercial products sold in substantial quantities to the gen-

eral public, did not exceed \$25,000,000 during the most recently completed fiscal year of such contractor or subcontractor.

"(3) (A) The Board is authorized, as soon as practicable after the date of enactment of this section, to prescribe rules and regulations exempting from the requirements of this section such classes or categories of defense contractors or subcontractors under contracts negotiated in connection with national defense procurements as it determines, on the basis of the size of the contracts involved or otherwise, are appropriate and consistent with the purposes sought to be achieved by this section.

"(B) Rules and regulations prescribed under subparagraph (A) of this paragraph (3) shall take effect upon the expiration of the first period of sixty calendar days of continuous session of the Congress following the date on which a copy of the proposed rules and regulations is transmitted to the Congress; if, between the date of transmittal and the expiration of such sixty-day period, there is not passed by the two Houses a concurrent resolution stating in substance that the Congress does not favor the proposed rules and regulations. For the purposes of this subparagraph, in the computation of the sixty-day period there shall be excluded the days on which either House is not in session because of adjournment of more than three days to a day certain or an adjournment of the Congress sine die.

"(1) (A) Prior to the promulgation under this section of rules, regulations, cost-accounting standards, and modifications thereof, notice of the action proposed to be taken, increasing a description of the terms and substance thereof, shall be published in the Federal Register. All parties affected thereby shall be afforded a period of not less than thirty days after such publication in which to submit their views and comments with respect to the action proposed to be taken. After full consideration of the views and comments so submitted the Board may promulgate rules, regulations, cost-accounting standards, and modifications thereof which shall have the full force and effect of law and shall become effective not later than the start of the second fiscal quarter beginning after the expiration of not less than thirty days after publication in the Federal Register.

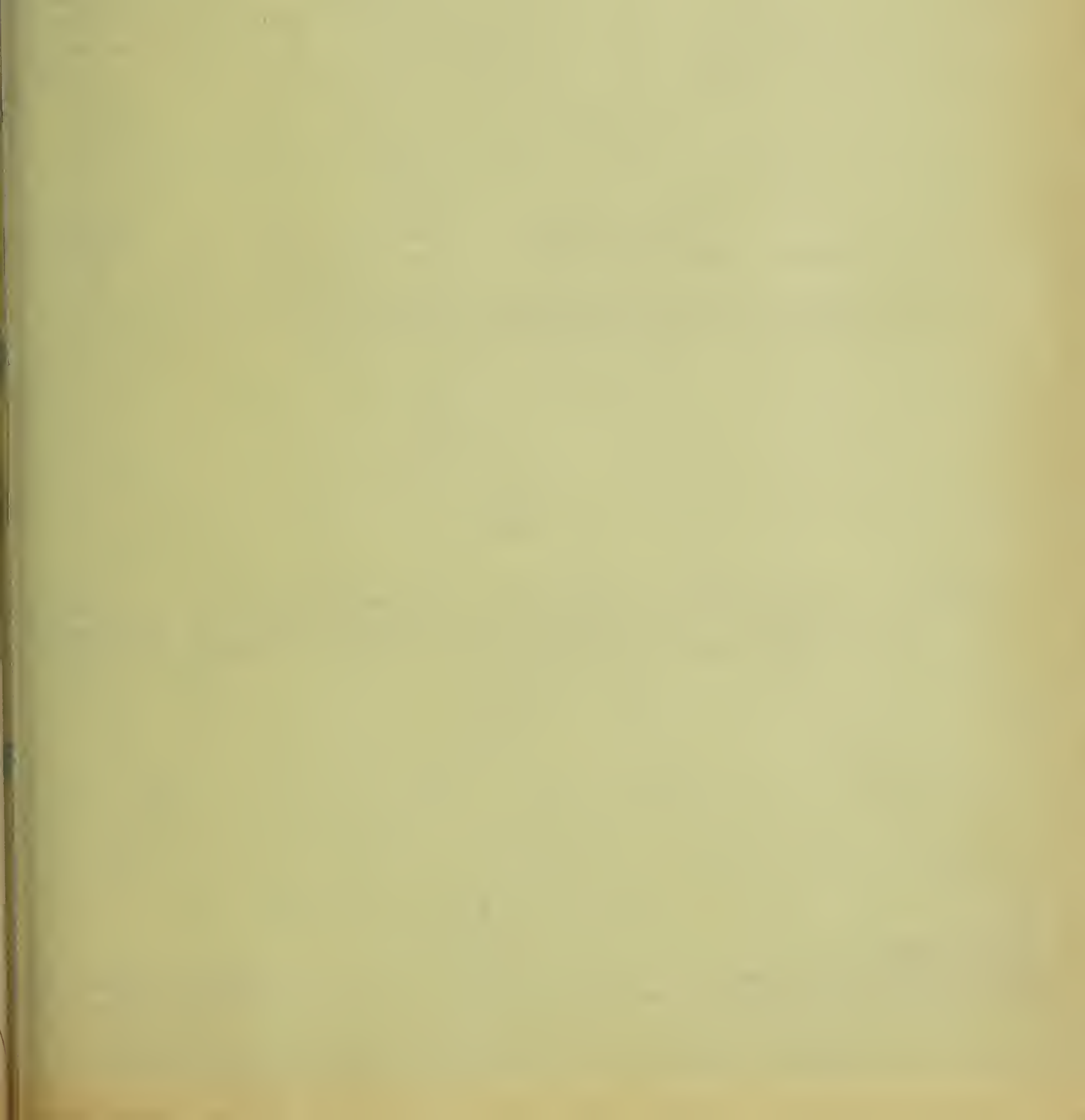
"(B) The functions exercised under this section shall be excluded from the operation of the Administrative Procedure Act.

"(C) The provisions of paragraph (A) of this subsection shall not be applicable to rules and regulations prescribed by the Board pursuant to subsection (h) (3).

"(j) For the purpose of determining whether a defense contractor or subcontractor has complied with duly promulgated cost-accounting standards and has followed consistently his disclosed cost-accounting practices, any authorized representative of the head of the agency concerned, of the Board, or of the Comptroller General of the United States shall have the right to examine and make copies of any documents, papers, or records of such contractor or subcontractor relating to compliance with such cost-accounting standards and principles.

"(k) The Board shall report to the Congress, not later than twenty-four months after the date of enactment of this section, concerning its progress in promulgating cost-accounting standards under subsection (g) and rules and regulations under subsection (h). Thereafter, the Board shall make an annual report to the Congress with respect to its activities and operations, together with such recommendations as it deems appropriate.

"(l) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section."



DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of November 19, 1970
91st-2nd; No. 185

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Energy.....4	Foreign trade.....6,11	Relocation assistance....7
Consumers.....2	Travel.....2	Timber.....12

HIGHLIGHTS: Senate accepted conference report on farm bill.
House appointed conferees on Agricultural appropriations bill
House passed trade bill.
House subcommittee approved a clean bill on Animal Welfare Act.
Rep. Cohelan inserted analysis of farm payments recipients.

SENATE

1. FARM BILL. After Sen. Ellender and several other Senators expressed criticism and opposition, the conference report on H.R. 18546, the Agricultural Act of 1970, was adopted. This bill now goes to the President. pp. S18523-52

2. COMMITTEE ACTION. Committee on Commerce voted to report (but did not actually report) the following bills:
S. 4459, amended, establishing a Consumer Protection Agency; and
H.R. 14714, to encourage travel in the U.S. through facilities of the National Park Service. p. D1173
3. ENVIRONMENT. H.J. Res. 1117, to establish a Joint Committee on the Environment, was discharged from further committee consideration. The bill was subsequently passed after being amended to contain the language of S.J. Res. 207, passed by the Senate Nov. 18. The passage of S.J. Res. 207 was rescinded and the bill then indefinitely postponed. p. S18491
Sen. Hruska placed in the Record an address by Dr. A. Gordon Everett at the Nebraska Conference of Environmental Pollution. pp. S18507-8
4. ENERGY. Sen. Burdick called attention to remarks by Robert Partridge in which he discusses the current energy shortage. pp. S18509-10

HOUSE

5. AGRICULTURAL APPROPRIATIONS. Disagreed to the Senate amendments to H.R. 17923, the FY 71 Agricultural appropriations bill, and appointed Reps. Whitten, Natcher, Hull, Shipley, Evans of Colorado, Mahon, Langen, Michel, Andrews of North Dakota, and Bow as conferees. p. H10604
6. FOREIGN TRADE. Passed without amendment H.R. 18970, the Trade Act of 1970. pp. H10521-604
7. COMMITTEE ACTION.
A subcommittee of the Agriculture Committee approved a clean bill on the Animal Welfare Act for full committee action. p. D1174
Committee on Appropriations reported H.R. 19830, the FY 71 HUD-Independent offices appropriation bill (H. Rept. 91-1616). p. H10612
Committee on Public Works voted to report (but did not actually report) S. 1, amended, to establish uniform relocation assistance and land acquisition policies applicable to Federal programs and Federal grant-in-aid programs. p. D1175
8. FARM-CITY WEEK. Rep. Sebelius noted that Nov. 20-26 was "National Farm-City Week" and stated that legislation of the 1970's must be "characterized by a sound rural-urban balance". p. H10608

EXTENSION OF REMARKS

9. FARM PAYMENTS. Rep. Cohelan placed in the Record an article summarizing a study by Charles Schultze which demonstrates that "42 percent of the . . . direct Federal payment . . . goes to the largest 7 percent of farmers with sales above \$40,000 per year". pp. E9751-2

Collier	Karll	Reuss
Conable	Kloppe	Rhodes
Coate	Koch	Riegle
Conyers	Kyl	Robison
Coughlin	Landgrebe	Rodino
Crane	Long, Md.	Rogers, Fla.
Culver	Lowenstein	Rosenthal
Daddario	Lujan	Roussellot
Dellenback	McCarthy	Roybal
Denney	McClory	Ruppe
Dent	McCloskey	Satterfield
Darwinski	McCulloch	Scherle
Devine	McDonald,	Scheuer
Diggs	Mich.	Schmitz
Eckhardt	McCall	Schwengel
Edwards, Calif.	MacGregor	Sebelius
Erlenborn	Madden	Shriver
Esch	Mailhand	Sisk
Evans, Colo.	Mathias	Smith, Calif.
Fascell	Matsunaga	Smith, Iowa
Findley	May	Stafford
Fish	Meeds	Stanton
Foley	Michel	Steiger, Ariz.
Ford,	Mikva	Stokes
William D.	Miller, Calif.	Taft
Forsythe	Miller, Ohio	Talcott
Fraser	Minish	Teague, Calif.
Frelinghuysen	Mink	Thompson, N.J.
Frey	Mize	Tunney
Gaimo	Moorhead	Udall
Gibbons	Morton	Ullman
Green, Oreg.	Mosher	Van Derlin
Green, Pa.	Moss	Vander Jagt
Gross	Nedzi	Vanik
Gubser	Nelsen	Vigorito
Gude	O'Hara	Waldie
Hamilton	Patman	Whalen
Hanna	Patten	White
Hansen, Idaho	Pelly	Widnall
Hansen, Wash.	Pettis	Wiggins
Harvey	Pickle	Wilson, Bob
Hastings	Pike	Wilson,
Helstoski	Pollock	Charles H.
Hicks	Quie	Wolff
Hogan	Railsback	Wright
Holifield	Rees	Wylie
Jacobs	Reid, Ill.	Yates
Johnson, Calif.	Reid, N.Y.	Zwach

"PRESENT"—3

Collins, Tex. Corman Goldwater

NOT VOTING—51

Abernethy	Dowdy	Mollohan
Aspinall	Dulski	Myers
Bell, Calif.	Fallon	O'Konski
Berry	Furbstein	Ottinger
Brooks	Foreman	Poage
Brown, Ohio	Gallagher	Powell
Button	Goodling	Price, Tex.
Camp	Griffiths	Purcell
Carey	Grover	Saylor
Carney	Hosmer	Skubitz
Clawson, Del	Kluczynski	Springer
Cohelan	Langen	Teague, Tex.
Corbett	McClure	Ware
Cowger	Macdonald,	Weicker
de la Garza	Mass.	Williams
Dennis	Mayne	Wyatt
Dingell	Meskill	Wydler

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mrs. Griffiths for, with Mr. Corman against.
Mr. Carey for, with Mr. Teague of Texas against.

Mr. Abernethy for, with Mr. Dingell against.

Mr. Dowdy for, with Mr. Cohelan against.
Mr. Fallon for, with Mr. Gallagher against.Mr. Brooks for, with Mr. Dulski against.
Mr. Mollohan for, with Mr. Powell against.

Mr. Kluczynski for, with Mr. Ottinger against.

Mr. Price of Texas for, with Mr. Del Clawson against.

Mr. Saylor for, with Mr. Camp against.
Mr. Ware for, with Mr. Wyatt against.Mr. Williams for, with Mr. Hosmer against.
Mr. Dennis for, with Mr. Bell of California against.

Until further notice:

Mr. Aspinall with Mr. Goodling.
Mr. Macdonald of Massachusetts with Mr. Corbett.

Mr. de la Garza with Mr. Springer.

Mr. Purcell with Mr. Grover.
Mr. Carney with Mr. Wydler.
Mr. Brown of Ohio with Mr. O'Konski.
Mr. Langen with Mr. Meskill.
Mr. Skubitz with Mr. Foreman.
Mr. Cowger with Mr. Weicker.
Mr. Mayne with Mr. Button.
Mr. Myers with Mr. McClure.

Mr. CORMAN. Mr. Speaker, I have a live pair with the gentlewoman from Michigan (Mrs. GRIFFITHS). If she had been present, she would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 18546) entitled "An act to establish improved programs for the benefit of producers and consumers of dairy products, wool, wheat, feed grains, cotton, and other commodities, to extend the Agricultural Trade Development and Assistance Act of 1954, as amended, and for other purposes."

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2103) entitled "An act to promote public health and welfare by expanding, improving, and better coordinating the family planning services and population research activities of the Federal Government, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. YARBOROUGH, Mr. WILLIAMS of New Jersey, Mr. KENNEDY, Mr. NELSON, Mr. EAGLETON, Mr. CRANSTON, Mr. HUGHES, Mr. DOMINICK, Mr. JAVITS, Mr. MURPHY, Mr. PROUTY, and Mr. SAXE to be the conferees on the part of the Senate.

CORRECTION OF VOTE

Mr. FOUNTAIN. Mr. Speaker, I have learned that I was incorrectly recorded as having voted "yea," on rollcall No. 361, the motion to recommit. I voted "nay," and I ask unanimous consent that the permanent Record be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 17923, DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1971

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 17923) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? The Chair hears none, and appoints the following conferees: Messrs. WHITTEN, NATCHER, HULL, SHIPLEY, EVANS, of Colorado, MAHON, LANGEN, MICHEL, ANDREWS of North Dakota, and Bow.

APPOINTMENT OF CONFEREES ON H.R. 10634, AMENDING THE INTERSTATE COMMERCE ACT AND THE FEDERAL AVIATION ACT OF 1958

Mr. MOSS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 10634), to amend the Interstate Commerce Act and the Federal Aviation Act of 1958 in order to exempt certain wages and salaries of employees from withholding for income tax purposes under the laws of States or subdivisions thereof other than the State or subdivision of the employee's residence, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from California? The Chair hears none, and appoints the following conferees: Messrs. STAGGERS, FRIEDEL, DINGELL, DEVINE, and KEYKENDALL.

LEGISLATIVE PROGRAM

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute.)

Mr. GERALD R. FORD. Mr. Speaker, I take this time for the purpose of asking the distinguished majority leader the program for the rest of the week, if any, and the program for next week.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, in response to the inquiry of the distinguished minority leader, the program for the week has been completed, and we will ask to go over until Monday upon announcement of the program for next week.

The program for next week, for Monday, Tuesday, and Wednesday, listed under the heading of "Monday and Balance of Week," is as follows:

Monday is District day, and there are no District bills.

On Monday we will have H.R. 16785, Occupational Safety and Health Act, under an open rule with 3 hours of debate.



DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of December 2, 1970
91st-2nd; No. 192

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Animals.....2	Farmers.....12	Plants.....3
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Dr. Borlaug.....10	Food stamps.....3,13	Rural development.....8
Carson National Forest.....6	Highway construction.....7	Taos Indians.....6
Committee Action.....3	Housing and Urban Development.....4	Water Carrier Mixing Rule.....7
Dislocation Assistance...3	International Trade.....11	Wheat.....10
		Wilderness.....14

HIGHLIGHTS: Conferees agreed to file report on agricultural appropriations bill.
Senate passed bill granting trust title to national forest lands to Taos Indians.
Senate appointed conferees on water carrier mixing bill and highway construction bill.
House committee reported animal welfare bill.
House committee voted to report egg products inspection bill.
Rep. Schwengel criticized "unfair competitive advantage" Farm Credit Administration has in farm lending programs.

HOUSE

1. APPROPRIATIONS. Conferees agreed to file (but did not actually file) a conference report on H.R. 17923, the agricultural appropriations bill for FY 71. p. D1221
2. AGRICULTURE COMMITTEE ACTION.
Reported with amendment H.R. 19846, proposed Animal Welfare Act (H. Rept. 91-1651). p. H11082
Voted to report (but did not actually report) H.R. 19888 amended, proposed Egg Products Inspection Act. p. D1219
3. COMMITTEE ACTION.
Committee on Rules reported H. Res. 1290, providing for the consideration of S. 3070, plant variety protection; and H. Res. 1291, providing for the consideration of H.R. 18582, Food stamp amendments. p. H11082
Committee on Public Works reported S. 1, providing for equitable treatment of persons displaced from their homes, businesses, or farms by Federal and federally assisted programs (H. Rept. 91-1656). p. H11082
Committee on Public Works voted to report (but did not actually report) H.R. 19877 amended, an omnibus rivers, harbors, and flood control bill. p. D1220
4. HOUSING AND URBAN DEVELOPMENT. Concluded general debate on H.R. 19436, proposed Housing and Urban Development Act of 1970, and began reading the bill for amendments. H. Res. 1271, the rule providing for consideration, was adopted earlier. pp. H10998-11053
5. FARM CREDIT ADMINISTRATION. Rep. Schwengel expressed fear that "The farm credit system threatens to become a monopoly disguised as a farmer-owned cooperative" and urged the restoration of "fair competition to the rural credit field". pp. H11078-91

SENATE

6. CARSON NATIONAL FOREST; TAOS INDIANS. Passed H.R. 471, granting trust title to the Taos Indians of 48,000 acres in the Blue Lake area of Carson National Forest, New Mexico. pp. S19220-44
7. WATER CARRIER MIXING RULE; HIGHWAY CONSTRUCTION. Conferees appointed on H.R. 8298, to eliminate certain restrictions relating to water carriers of bulk commodities, and on S. 4418, proposed Federal-Aid Highway Amendments of 1970. pp. S19188-9; S19244-52

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of December 7, 1970
91st-2nd; No. 195

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		Water Bank Act.....8
		Wildlife & water fowl...8

HIGHLIGHTS: Conferees filed agricultural appropriations report.
House passed bills regarding gifts for NAL; animal welfare; peanut acreage allotments; and shooting animals from aircraft.
Rep. Cabell paid tribute to Chairman Poage.
Rep. Gerald R. Ford inserted President's address before NAM.
Senate passed Water Bank Act, a peanut acreage allotment bill, and Federal -Aid Highway amendments

HOUSE

1. AGRICULTURAL APPROPRIATIONS. Conferees filed a report on H.R. 17923, the FY 71 agricultural appropriation bill (H. Rept. 91-1680). A summary is attached reflecting the action taken by the conferees. pp. H11294-7, ~~H11298~~

2. **BILLS PASSED.**

S. 1079, consenting to the Susquehanna River Basin compact. This bill now goes to the President. pp. H11150-64

H.R. 19402, authorizing the acceptance of gifts for the National Agricultural Library. pp. H11149-50

The following were passed under suspension of the rules:

S. 437, relating to survivor annuities under the civil service retirement program; agreed to an amendment in the nature of a substitute. pp. H11185-9

H.R. 19877, an omnibus rivers, harbors, and flood control bill. pp. H11189-206

H.R. 19846 with amendment, proposed animal welfare bill. pp. H11206-12

H.R. 17582, amending peanut marketing quota provisions. pp. H11213-4

S. 1, with amendment, providing relocation assistance and establishing equitable land acquisition policies. pp. H11216-25

H.R. 15188, amended, providing a criminal penalty for shooting at certain animals from an aircraft. pp. H11257-9

H.R. 17436, with amendment, providing for a National Environmental Data System. pp. H11259-62

H.R. 19576, amended, establishing the National Advisory Committee on the Oceans and Atmosphere. pp. H11262-4

3. **TARIFFS.** Committee on Ways and Means reported with amendment, H.R. 7626, amending the Tariff Schedules with respect to the tariff classification of certain sugars, sirups, and molasses (H. Rept. 91-1674). p, H11298

4. **HIGHWAY CONSTRUCTION.** Vacated previous action of passing and laying on the table of H.R. 19504; subsequently repassed bill. pp. H11147

5. **FOREIGN TRADE.** Rep. Findley warned of possible retaliation against soybean exports if trade bill passes. pp. H11285-6

6. **CHARLES B. SHUMAN.** Rep. Findley paid tribute to Mr. Charles B. Shuman upon his retirement as President of the American Farm Bureau Federation. p. H11286

7. **REP. POAGE.** Rep. Cabell joined in honoring Chairman Poage upon the announcement of the building of the "Bob Poage Land Technology Center" on the Texas State Technical Institute campus in Waco, Texas. pp. H11286

SENATE

8. **APPROPRIATIONS; WATER BANK ACT; WILDLIFE & WATER FOWL.** Passed without amendment and cleared for the President:

H.R. 19830, FY 1971 Appropriations for HUD; and

H.R. 15770, to preserve and improve wildlife habitat (Water Bank Act). pp. S19521-59; S19485-6

Summary of Major Changes in the Department of
Agriculture and Related Agencies Appropriations --
Conference Report.

Agricultural conservation program. The conferees authorized the Agricultural Conservation program at the \$195.5 million level and increased administrative expenses of ASCS by \$14.5 million to carry out the program. The conference report includes the following language:

"The conferees agreed to call on the Department to announce the 1971 program, which should have been announced months ago, including therein all programs, practices and procedures available in the calendar year 1970 program except for such changes as may be recommended by the county committee and approved by the State committee.

"The conferees have not included compulsory instructions in the Act, as in the past, choosing rather to rely on the good faith of the Department in carrying out these provisions.

Dairy indemnity payments. The conferees provided \$250,000 for indemnity payments for dairy farmers as authorized in the Agricultural Act of 1970. The appropriation does not provide for payments to processors as authorized in the Agricultural Act.

Meat and Poultry inspection. The conferees provided the amount requested by the Department for meat and poultry inspection and deleted the \$10 million provided by the Senate for additional grants to States meeting Federal standards in meat inspection programs. The language which would have permitted meat inspected by such State plants to move in interstate commerce was also deleted.

Food stamp program: The conferees added \$170 million to the Department's request for the food stamp program, making a total of \$1,420 million available in 1971. However, they retained the proviso that the amount appropriated is available only within the limits of amounts authorized by law for the fiscal year 1971.

Child feeding programs. The conferees provided the total amount requested for the child feeding programs, including the \$211.8 million requested in the budget amendment. In addition, they included \$104 million for the Special Milk Program.

Rural Electrification Administration. The conferees added \$15 million for electric loans and \$5 million for telephone loans to the Department's request. In addition, the conference report included the following language with regard to the deferment of principal repayments on electric loans to enable cooperatives to invest in the National Rural Utilities Cooperative Finance Corporation:

"The Conferees are in agreement that there is authority in Sections 4 and 12 of the Rural Electrification Act to follow both the House and Senate Committee recommendations, and that the Administrator, where he finds the financial condition of a borrower is sound and where the Government's interest is adequately safeguarded, may, in exercising such authority, proceed as follows: (a) by deferment of repayments of principal on outstanding loans for a period of three years in addition to any previous periods of deferment; and (b) by deferment of repayment of principal on new loans made after the date of this report for a period of three years in addition to the deferment period normally granted on new loans under preexisting practice. Such deferments may be made to meet local needs or where desired by REA electrification borrowers to voluntarily invest amounts equivalent to the amounts of principal to be so deferred in securities of the National Rural Utilities Cooperative Finance Corporation. It is expected by the Conferees that the REA Administrator will report to the House and Senate Committees actions taken by the REA Administrator pursuant hereto when the appears before the Committees to be heard on appropriations for REA for fiscal year 1972."

Soil Conservation Service. The conferees added \$50 thousand to the Department's request to staff new SCS districts; added \$632 thousand for watershed planning activities; added \$1,722,000 for watershed works improvement; added \$500 thousand for the Great Plains program; added \$400 thousand and agreed on 15 new planning starts for the resource conservation development program; and retained language added by the House which enables SCS to jointly carry out flood prevention measures with the Corps of Engineers on lands under army jurisdiction and allows the Secretary of Agriculture to reimburse local organizations for sites for structures in these areas.

Water and sewer loans and grants. The conferees increased direct water and sewer loans by \$57.5 million, from \$40 million to \$97.5 million. They increased water and sewer grants from \$24 million to \$100 million.

Agricultural Research Service. The conferees increased the research appropriation by \$10.2 million over the budget estimate. Major items of increase were for staffing and equipping newly completed research laboratories, +\$4.8 million; research on non-chemical means of pest control, +\$1 million; and for construction at Temple, Texas, Clay Center, Nebraska, Orono, Maine, Corvallis, Oregon and Puyallup, Washington, and planning at Baton Rouge, Louisiana, +\$4.6 million. Other increases provided by the conferees for research were more than offset by decreases in items requested by the Department. The conferees agreed that the Department should move as rapidly as possible to staff the pesticides laboratories and directed the Department to seek relief from personnel

limitations in order that this staffing may take place without impairing other programs of the Department. The conferees adopted the House language which said that \$200,000 of the amount appropriated for research shall be available for matching funds utilized for research on cotton seed proteins under the Cotton Research and Promotion Act. The conferees also retained the language which requires that we formulate a budget estimate for 1972 which includes funds for the full staffing of the pesticides research facilities.

Rural development. The conferees did not provide any of the \$10,400,000 requested for the Extension Service for rural development work. However, it provided \$3 million of the \$5 million requested for rural development research for the Cooperative State Research Service.

General Administration. The conferees provided funds for rural development work in the appropriation for General Administration instead of through a separate appropriation for the Rural Community Development Service as had been proposed by the House. The Senate also provided for a direct appropriation in General Administration for equal opportunity work instead of providing these funds through the Working Capital Fund as proposed by the House.

Limitation on price support payments. The conferees deleted the \$20,000 payment limitation which had been added by the Senate.

AGRICULTURE AND RELATED AGENCIES APPROPRIA-
TION FISCAL YEAR 1971

DECEMBER 7, 1970.—Ordered to be printed

Mr. WHITTEN, from the Committee of Conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 17923]

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 17923) "making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 9, 11, 12, 16, 17, 24, 38, 39, 52, and 59.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 6, 7, 8, 13, 14, 19, 25, 27, 28, 29, 30, 31, 32, 33, 34, 37, 41, 42, 46, 47, 48, 51, 54, 55, 56, 58, 60, and 61, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$151,633,000; and the Senate agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

, except that \$200,000 of the foregoing amount shall be available for matching with funds utilized for research on cottonseed proteins under public law 89-502, and; and the Senate agree to the same.

Amendment numbered 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$68,476,000; and the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$128,507,000; and the Senate agree to the same.

Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$6,066,000; and the Senate agree to the same.

Amendment numbered 20:

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$15,855,000; and the Senate agree to the same.

Amendment numbered 21:

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$14,276,000; and the Senate agree to the same.

Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$14,926,000; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$17,796,800; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$1,675,000; and the Senate agree to the same.

Amendment numbered 35:

That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$1,420,000,000; and the Senate agree to the same.

Amendment numbered 36:

That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$24,273,000; and the Senate agree to the same.

Amendment numbered 40:

That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment insert \$250,000; and the Senate agree to the same.

Amendment numbered 43:

That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment insert, *and in addition, \$3,434,000 shall be derived by transfer from appropriation, "Food Stamp Program" and merged with this Appropriation;* and the Senate agree to the same.

Amendment numbered 44:

That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$3,588,650; and the Senate agree to the same.

Amendment numbered 45:

That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$3,764,750; and the Senate agree to the same.

Amendment numbered 49:

That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$337,000,000; and the Senate agree to the same.

Amendment numbered 50:

That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$128,800,000; and the Senate agree to the same.

Amendment numbered 53:

That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$103,000,000; and the Senate agree to the same.

Amendment numbered 57:

That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$86,000,000; and the Senate agree to the same.

Amendment numbered 62:

That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$4,204,000; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
W. R. HULL, Jr.,
GEORGE E. SHIPLEY,
FRANK E. EVANS,
GEORGE MAHON,
ODIN LANGEN,
ROBERT H. MICHEL,
MARK ANDREWS,
FRANK T. BOW,

Managers on the Part of the House.

SPESSARD L. HOLLAND,
RICHARD B. RUSSELL,
JOHN STENNIS,
ALLEN J. ELLENDER,
ROMAN L. HRUSKA,
MILTON R. YOUNG,
HIRAM L. FONG,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 17923) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments; namely:

DEPARTMENT OF AGRICULTURE

TITLE I—GENERAL ACTIVITIES

AGRICULTURAL RESEARCH SERVICE

Amendment No. 1: Appropriates \$151,633,000 for research instead of \$146,143,200 as proposed by the House and \$160,446,200 as proposed by the Senate. The following tabulation lists the changes from the House bill agreed to by the conferees:

1. Improved methods for control of mastitis in dairy cattle.....	+\$150, 000
2. Research to control the golden nematode.....	+73, 000
3. Pollution research concerned with animal waste management..	+365, 800
4. Staffing and equipping research laboratories.....	+820, 000
a. Cotton cost-of-production laboratories:	
Phoenix, Ariz.....	+\$80, 000
Stoneville, Miss.....	+45, 000
College Station, Tex.....	+65, 000
b. Georgetown, Del. (poultry).....	+75, 000
c. Grand Forks, N. Dak. (nutrition).....	+25, 000
d. Athens, Ga. (utilization research lab)....	+195, 000
e. Adjustment for delays in staffing.....	+335, 000
5. Cooperative research program on cotton.....	—800, 000
6. Increased pay costs.....	+161, 000
7. Cooperative research on aphid-borne diseases in Northwest...	+35, 000
8. Soil and water air-plant research with the University of Florida.....	+65, 000
9. Cooperative research on tobacco in North Carolina.....	+35, 000
10. Research on overseas transportation and field handling of fruits and vegetables.....	+25, 000
11. Wholesaling and retailing research.....	+35, 000
12. Research on dairy cattle:	
a. Reproductive and food efficiency.....	+35, 000
b. Dairy herd improvement.....	+35, 000
13. Research on flowers and related ornamentals.....	+70, 000
14. Research on horticulture specialty crops at University of West Virginia.....	+25, 000
15. Acceleration of most essential research on sheep production by contract or grant.....	+100, 000
16. Cooperative research program on the dog fly.....	+35, 000
17. Research on temporary storage of high moisture feed grains...	+35, 000
18. Research on fowl cholera in turkeys.....	+35, 000

19. Investigation of mosaic-resistant and cold-tolerant sugarcane varieties, Houma, La.....	+ \$40, 000
20. Research on nonchemical means of pest control.....	+ 1, 000, 000
21. Medical research on horses.....	+ 35, 000
22. Facilities, construction:	
a. Completion of phase I construction, U.S. Animal Research Center, Clay Center, Nebr.....	+ 1, 800, 000
b. Modernization of Northeast Soil and Water Conservation Facility, Orono, Maine.....	+ 600, 000
c. Enlargement of research facilities for horticultural specialty crops in Northwest; Corvallis, Oreg., and Puyallup, Wash.....	+ 600, 000
23. Facilities, planning: Soil and water research facility, Baton Rouge, La.....	+ 80, 000
Net addition over the House bill.....	+ 5, 489, 800

Although both the House and Senate bills included the same dollar amount, the conferees agreed to the addition of the words "and sheep", as proposed by the Senate, to the explanation of the budgeted total of \$1,328,800 to improve quality, reproductive and feeding efficiency of beef. In addition, it was agreed that such research performed should not duplicate research conducted under item 15 in the above listing.

With regard to laboratory staffing, the conferees, in recognition of the lateness of the appropriation bill, agreed to the total amount provided in the House bill for the pesticide laboratories at Gainesville, Florida; Savannah, Georgia; Stoneville, Mississippi; Durant, Oklahoma; and College Station, Texas. However, it was agreed that the Department should move as rapidly as possible toward full staffing for these laboratories in the recognition of language provided by Senate amendment number 4. The conferees also direct the Department to seek relief from its currently restrictive personnel limitations in order that this important staffing may take place without impairing other programs of the Department.

The conferees passed over without prejudice the Senate additions for the planning of the North-Central Dairy Cattle Management and Forage Research Laboratory and for the elimination of the Mediterranean fruit fly and melon fly from Hawaii. The conferees agreed that with regard to the latter program, the Department should be prepared to fully report to the respective committees as to the progress, planning, and feasibility of experiments to eliminate the Mediterranean fruit fly and melon fly from Hawaii.

The conferees agreed that funds should be released from the contingency research fund for research on peanuts, including black hull disease and molds in the Southwest.

Amendment No. 2: Restores House language amended to provide that of the total funds provided for research, \$200,000 shall be made available for research on production of products from cottonseed proteins contingent on matching with funds available to the Cotton Board under the Cotton Research Promotion Act. This is in lieu of the \$1 million provided by the House and stricken by the Senate.

Amendment No. 3: Reported in technical disagreement. The managers on the part of the House will offer a motion to provide \$4,580,000 to remain available until expended for plans, construction, and improvement of research facilities as outlined above under Amendment No. 1.

Amendment No. 4: Inserts language, as proposed by the Senate, pertaining to the formulation of budget estimates for fiscal year 1972 for the pesticides research program.

Amendment No. 5: *Plant and animal disease and pest control.*— Provides \$98,619,750 as proposed by the House instead of \$99,369,750 as proposed by the Senate. The total allowed includes the following changes from the House bill: an increase of \$250,000 for the hog cholera eradication program and \$250,000 for pesticide regulation, and a decrease of \$500,000 in the contingency fund.

Amendment No. 6: Provides \$1,500,000 for the contingency fund reserved for control of emergency outbreaks of insects, plant diseases, and animal diseases as proposed by the Senate instead of \$2,000,000 as proposed by the House.

COOPERATIVE STATE RESEARCH SERVICE

Amendment No. 7: Appropriates \$61,390,000 for payments and expenses under the Hatch Act for research in rural development as proposed by the Senate instead of \$58,390,000 as proposed by the House.

Amendment No. 8: Provides \$4,412,000 for cooperative forestry research grants as proposed by the Senate instead of \$4,012,000 as proposed in the House.

Amendment No. 9: Provides \$2,000,000 for contracts and grants for scientific research as proposed by the House instead of \$3,350,000 as proposed by the Senate.

Amendment No. 10: Provides a total of \$68,476,000 instead of \$65,076,000 as proposed by the House and \$69,826,000 as proposed by the Senate.

EXTENSION SERVICE

Amendment No. 11: Deletes language inserted by the Senate providing \$10,400,000 for rural development work provided for in amendment 7.

Amendment No. 12: Provides for total payments of \$140,031,000 as proposed by the House instead of \$150,431,000 as proposed by the Senate.

Amendment No. 13: Provides \$12,932,600 for retirement and employees' compensation costs for extension agents as proposed by the Senate instead of \$13,515,000 as proposed by the House.

FARMER COOPERATIVE SERVICE

Amendment No. 14: Appropriates \$1,684,000 for salaries and expenses as proposed by the Senate instead of \$1,649,000 as proposed by the House.

SOIL CONSERVATION SERVICE

Amendment No. 15: Appropriates \$128,507,000 for conservation operations instead of \$128,557,000 as proposed by the House and \$128,457,000 as proposed by the Senate. The restoration of \$50,000 will be used to staff new districts.

Amendment Nos. 16 and 17: Restore language proposed by the House.

Amendment No. 18: Appropriates \$6,066,000 for watershed planning instead of \$6,698,000 as proposed by the House and \$5,434,000 as proposed by the Senate.

Amendment No. 19: Appropriates \$76,000,000 for watershed works of improvement as proposed by the Senate instead of \$74,278,000 as proposed by the House.

Amendment No. 20: Appropriates \$15,855,000 for the Great Plains conservation program instead of \$15,355,000 as proposed by the House and \$16,355,000 as proposed by the Senate.

Amendment No. 21: Appropriates \$14,276,000 for resource conservation and development instead of \$13,876,000 as proposed by the House and \$14,676,000 as proposed by the Senate. The conferees are in agreement on the authorization of 15 new planning starts.

ECONOMIC RESEARCH SERVICE

Amendment No. 22: Appropriates \$14,926,000 instead of \$14,592,000 as proposed by the House and \$16,228,000 as proposed by the Senate. The increase provided over the House bill includes \$207,000 for better forecasting and measures of farm income and \$127,000 for investigation of impact of world agricultural development and adjustment on U.S. foreign trade. The conferees are also in agreement that added emphasis should be placed on the latter investigation within available funds.

STATISTICAL REPORTING SERVICE

Amendment No. 23: Appropriates \$17,796,800 for salaries and expenses instead of \$17,716,800 as proposed by the House and \$17,874,800 as proposed by the Senate. The increase over the House bill is for preparation of an updated farm operators expenditure survey. In addition, the conferees are in agreement that within available funds added emphasis shall be placed on research to improve agricultural statistics, remote sensing, and analysis of horticultural statistics.

CONSUMER AND MARKETING SERVICE

Amendment No. 24: Appropriates \$149,247,000 for consumer protective, marketing and regulatory programs as proposed by the House instead of \$159,247,000 as proposed by the Senate, and deletes language inserted by the Senate pertaining to interstate shipment of meat inspected by approved State inspection systems. The House conferees concur in the Senate report in regard to market news and grade standards on ornamental crops including continued industry contributions.

Amendment No. 25: Deletes language proposed by the House.

Amendment No. 26: Appropriates \$1,675,000 for payments to States and possessions instead of \$1,600,000 as proposed by the House and \$1,750,000 as proposed by the Senate.

FOOD AND NUTRITION SERVICE

Amendment Nos. 27-34: Provides a direct appropriation of \$301,974,000 for child nutrition programs and language provisions pursuant

to Public Law 91-248 as proposed by the Senate instead of \$90,395,000 as proposed by the House. In addition, \$238,358,000 shall be available by transfer from section 32 funds, as provided in both bills. This will provide a total of \$540,332,000 in appropriated funds for the programs for fiscal year 1971.

Amendment No. 35: Appropriates \$1,420,000,000 for the food stamp program instead of \$1,250,000,000 as proposed by the House and \$1,750,000,000 as proposed by the Senate, with a language provision restricting the expenditure of funds to the amounts authorized by law. Currently authorized is a total of \$770 million through January 31, 1971 pending final action on a new authorization bill.

FOREIGN AGRICULTURAL SERVICE

Amendment No. 36: Appropriates \$24,273,000 for salaries and expenses instead of \$24,023,000 as proposed by the House and \$24,773,000 as proposed by the Senate.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

Amendment No. 37: Provides a direct appropriation of \$150,000,000 for administrative expenses as proposed by the Senate instead of \$152,690,000 as proposed by the House.

Amendment No. 38: Deletes language inserted by the Senate pertaining to price support payments in view of the final action on the 1970 farm bill (Public Law 91-524).

Amendment No. 39: *Agricultural conservation program.*—Establishes a 1971 program of \$195,500,000 as proposed by the House instead of \$190,000,000 as proposed by the Senate.

The conferees agreed to call on the Department to announce the 1971 program, which should have been announced months ago, including therein all programs, practices and procedures available in the calendar year 1970 program such changes as may be recommended by the county committee and approved by the State committee.

The conferees have not included compulsory instructions in the Act, as in the past, choosing rather to rely on the good faith of the Department in carrying out these provisions.

In taking this action, the conferees considered the fact that ACP is the best program for fighting pollution at its source. The Department reports that about 85% of the funds were related to pollution control and abatement. Typical is the fact that ACP has shared costs with the farmer in the construction of 2 million sediment and water holding structures.

Amendment No. 40: Appropriates \$250,000 for indemnity payments to dairy farmers in lieu of \$500,000 as proposed by the Senate.

RURAL COMMUNITY DEVELOPMENT SERVICE

Amendment No. 41: Deletes House language providing a separate appropriation of \$230,000 for salaries and expenses. A like amount for overall coordination and direction of the program is included under the appropriation "General administration."

OFFICE OF THE INSPECTOR GENERAL

Amendment Nos. 42 and 43: Appropriate \$12,412,000 for salaries and expenses and provide for transfer of \$3,434,000 from the appropriation "Food stamp program" instead of a direct appropriation of \$15,378,000 as proposed by the House and a direct appropriation of \$12,412,000 and a transfer of not less than \$3,434,000 as proposed by the Senate.

PACKERS AND STOCKYARDS ADMINISTRATION

Amendment No. 44: Appropriates \$3,588,650 for salaries and expenses instead of \$3,508,650 as proposed by the House and \$3,748,000 as proposed by the Senate.

NATIONAL AGRICULTURAL LIBRARY

Amendment No. 45: Appropriates \$3,764,750 instead of \$3,614,750 as proposed by the House and \$3,914,750 as proposed by the Senate.

OFFICE OF MANAGEMENT SERVICES

Amendment No. 46: Appropriates \$3,459,000 for salaries and expenses as proposed by the Senate instead of \$3,384,000 as proposed by the House.

GENERAL ADMINISTRATION

Amendment No. 47: Appropriates \$6,058,000 for salaries and expenses as proposed by the Senate instead of \$5,559,000 as proposed by the House.

Amendment No. 48: Deletes House language, as proposed by the Senate.

TITLE II—CREDIT AGENCIES

RURAL ELECTRIFICATION ADMINISTRATION

Amendment No. 49: Provides loan authorization of \$337 million for electrification loans instead of \$322 million as proposed by the House and \$352 million as proposed by the Senate.

The Conferees have considered the differences in the language contained in the House and Senate Committee reports recommending that the REA Administrator defer repayments of principal on certain rural electrification loans. After careful consideration of the Comptroller General's letter, dated September 28, 1970, addressed to the Secretary of Agriculture, the Conferees are in agreement that there is authority in Sections 4 and 12 of the Rural Electrification Act to follow both the House and Senate Committee recommendations, and that the Administrator, where he finds the financial condition of a borrower is sound and where the Government's interest is adequately safeguarded, may, in exercising such authority, proceed as follows: (a) by deferment of repayments of principal on outstanding loans for a period of three years in addition to any previous periods of deferment; and (b) by deferment of repayment of principal on new loans made after the date of this report for a period of three years in addition to the deferment period normally granted on new loans under pre-existing practice. Such deferments may be made to meet local needs or where desired by REA electrification borrowers to voluntarily

invest amounts equivalent to the amounts of principal to be so deferred in securities of the National Rural Utilities Cooperative Finance Corporation. It is expected by the Conferees that the REA Administrator will report to the House and Senate Committees actions taken by the REA Administrator pursuant hereto when he appears before the Committees to be heard on appropriations for REA for fiscal year 1972.

Amendment No. 50: Provides loan authorization of \$128.8 million for rural telephone loans instead of \$123.8 million as proposed by the House and \$138.8 million as proposed by the Senate.

Amendment No. 51: Deletes House language providing for a contingency reserve of \$20 million.

Amendment No. 52: Appropriates \$14,613,000 for salaries and expenses as proposed by the House instead of \$14,896,000 as proposed by the Senate.

FARMERS HOME ADMINISTRATION

Amendment No. 53: *Direct loan account.*—Authorizes \$103,000,000 for real estate loans instead of \$83,000,000 as proposed by the House and \$123,000,000 as proposed by the Senate. The increase of \$20,000,000 over the House bill is for water and waste disposal loans.

Amendment No. 54: *Rural housing insurance fund.*—Authorizes \$19,000,000 for direct loans as proposed by the Senate instead of \$30,000,000 as proposed by the House.

Amendment No. 55: *Mutual and self-help housing.*—Appropriates \$775,000 for grants as proposed by the Senate instead of \$2,125,000 as proposed by the House.

Amendment No. 56: *Self-help housing land development fund.*—Appropriates \$400,000 for direct loans as proposed by the Senate instead of \$1,000,000 as proposed by the House.

Amendment No. 57: Appropriates \$86,000,000 for salaries and expenses instead of \$81,500,000 as proposed by the House and \$87,250,000 as proposed by the Senate.

Amendment No. 58: Provides transfer of not more than \$2,250,000 from insurance funds for salaries and expenses as proposed by the Senate instead of \$3,250,000 as proposed by the House.

Amendment No. 59: Restores House language providing that not more than \$250,000 shall be available for administration of Public Law 91-229.

TITLE III—CORPORATIONS

COMMODITY CREDIT CORPORATION

Amendment Nos. 60 and 61: Provide reimbursement to the Commodity Credit Corporation for net realized losses in the fiscal year 1969 of \$3,113,156,331 as proposed by the Senate instead of \$2,863,156,331 as proposed by the House and a total restoration of \$3,363,155,000 as proposed by the Senate instead of \$3,113,155,000 as proposed by the House.

TITLE IV—RELATED AGENCIES

FARM CREDIT ADMINISTRATION

Amendment No. 62: Provides limitation of \$4,204,000 on administrative expenses instead of \$4,054,000 as proposed by the House and \$4,226,000 as proposed by the Senate.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1971 recommended by the Committee of Conference, with comparisons to the fiscal year 1970 total, the 1971 budget estimate total, and the House and Senate bills follows:

	<i>Amounts</i>
New budget (obligational) authority, fiscal year 1970-----	\$8, 083, 596, 150
Budget estimates of new (obligational) authority, fiscal year 1971 (including \$216,579,000 not considered by House)-----	7, 748, 354, 500
House bill, fiscal year 1971-----	7, 450, 188, 150
Senate bill, fiscal year 1971-----	8, 475, 935, 100
Conference agreement-----	8, 090, 856, 550
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1970-----	+7, 260, 400
Budget estimates of new (obligational) authority (as amended), fiscal year 1971-----	+342, 502, 050
House bill, fiscal year 1971-----	+640, 668, 400
Senate bill, fiscal year 1971-----	-385, 078, 550

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Managers on the Part of the House.

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struction, of private capital formation needed for productivity.

The effects of these basic changes in economic policy can already be seen in the strong upsurge in housing starts, the rapid expansion of State and local bond financing, and the strong market for corporate debt financing. Along with unusually large spending potential by consumers, these signs all point to the expansion ahead.

But the government has a responsibility to do more: this is what we are doing to help the economy along the path that will get us back to full employment as rapidly as possible, while continuing to make progress against inflation.

First, we plan our budget on the basis that it would be balanced if we were at full employment and the economy were producing full revenues, not when the economy is below that point. Our budget policy will be responsible in holding down inflation and responsive in encouraging expansion.

Second, as the economy rises toward full employment, more money will be required to do the nation's business. The amount of business to be done will rise steadily, and we shall need a rate of expansion of the supply of money and credit to do the job properly. I have been assured by Dr. Arthur Burns that the independent Federal Reserve System will provide fully for the increasing monetary needs of the economy. I am confident that this commitment will be kept.

Third, we look to a continuation of the strong revival of housing construction to be a leading force in the upward movement of the economy. Housing starts have been rising strongly this year and surged ahead almost 20% in the last quarter. The programs of government, which profoundly affect the rate of housing construction, will continue to be directed to assure that the pent-up demand for housing in America is met.

As we take these actions to produce a vigorous and orderly expansion, this is what we are doing to strengthen resistance to inflation:

We have arranged for a series of Inflation Alerts and established the National Commission on Productivity to enable labor, business and the public to cooperate in improving efficiency and cutting costs.

We have also set up procedures to change some government regulations that contribute to higher prices. These are not moves toward controls; on the contrary, these are moves away from the kind of government controls that cause artificial market shortages.

Take, for example, the recent increase of 25¢ per barrel in the price of crude oil, accompanied by increases in prices of gasoline and, later, jet fuel.

Up to now, State restrictions on production on Federal offshore leases have held down the supply of crude oil.

I have been informed by the Director of the Office of Emergency Preparedness that these restrictions are not necessary for national security; moreover, they actually interfere with the freedom of our domestic market system.

I have today directed the Interior Department to assume complete regulating responsibility for conservation and production of oil and gas on all Federal offshore lands. This means that more oil will be produced on those lands, while maintaining strict environmental standards.

I have also directed that companies importing Canadian oil be permitted to use their overseas allocation for the purchase of more crude oil from Canada.

Taken together, these actions will increase the supply of oil and can be expected to help restrain the increase of oil and gasoline prices.

Let us look at the other side of the coin—at the wage side—to see where government

leadership can help hold down costs and prices.

The problem in the construction industry, for example, illustrates the need for that leadership. When you have an industry in which one out of three negotiations has led to a strike; when construction wage settlements are more than double the national average for all manufacturing, at a time when many construction workers are cut of work, then something is basically wrong with that industry's bargaining process.

What can be done about it?

For one thing, the structure of bargaining must be changed. As it is now, the craft-by-craft, city-by-city pattern only guarantees instability. What is called for is more consolidated bargaining, on an area or regional scope. What is needed is a bargaining process that will preserve the integrity of each bargaining unit while it provides a new base for stability and fairness.

I have directed the Construction Industry Collective Bargaining Commission to take the initiative in working out these changes with leaders of management and labor. If the Commission determines that legislation is required, it will be proposed.

In today's economy, about the only thing greater than the problem of the construction industry is the potential of the construction industry. The men who are building this nation work in a field with a great future, and one in which the Federal government—with its expanded housing programs and its highway programs—will be a driving force for growth.

The time is now for the construction trades and the construction industry to face up to reality—a reality where strikes and costs are limiting its own future. The Federal stake in the construction industry is enormous. Unless the industry wants government to intervene in wage negotiations on Federal projects to protect the public interest, the moment is here for labor and management to make their own reforms.

If business and labor expect public policy to help stimulate real expansion, then business and labor should be prepared to offer the public some real help in curbing inflation.

In discussing this problem, however, let us recognize that no one industry and no one side of the bargaining table can be made the scapegoat for rising prices. There is blame enough to go around, and the past policies of government bear their full share of that blame. But recriminations and buck-passing will not help; what is needed now is the firm acceptance of the fact that fighting inflation is everybody's business.

The decisions of business and labor about prices and wages must be formed by the economic facts of life. The most basic of these facts is that we cannot receive more real income than we turn out in real goods and services. When profits and wages are rising faster than productivity, prices will also be rising.

Because of our campaign against inflation, we now have an opportunity to break the vicious circle of wage-price escalation. As you know, productivity is once again on the rise. As a result, production costs are rising less rapidly.

Government has done its part to hold the line. This is the critical moment, then, for business and labor to make a special effort to exercise restraint in price and wage decisions.

This is the moment for labor and management to stop freezing into wage settlement and price actions any expectation that inflation will continue in the future at its peak rate of the past. Any wage or price decision that makes that flat and irreversible assumption of a high rate of inflation ahead is against the public interest and against the real interest of the workingman.

There is also the moment, with productivity newly on the rise, for business to take a hard new look at its pricing policies, and to pass along to the consumer its savings in production costs.

Let us look beyond our immediate concerns to the deeper strengths and longer-range goals of the American economy.

Many people see full employment and a stable cost of living as a kind of tradeoff; they say we can have one or the other, but never both at the same time. The best we can hope for, they say, is a "balance of error"—not too much unemployment at a time when there is not too much inflation.

That may be a stage on the way to our goal, but it is by no means the goal itself.

The American people have a right to expect more than that.

Our goal is to achieve a combination of full employment and reasonable price stability. I am confident we can and will achieve that goal.

This is why I am confident:

I have an abiding faith in the power and genius of the American economic system. No businessman can intelligently plan ahead without figuring in the capacity of that economic system to meet the demands made upon it by the American people.

Taking the record of American free enterprise as a guide, the most realistic, business-like view of the future is this: Our system can deliver full employment, a stable dollar and truly equal opportunity—all at the same time.

I know that many businessmen are concerned when young people, including their own children, come to them and say: "Business is not for me. I don't want to get in the rat race; I want to help other people."

The paradox is this: Nothing has done more to help people in this country and people throughout the world than the American private economic system. Not organized charity, not the most active voluntary organization, not government itself can begin to compare with the benefits to people that flow from our unique combination of management, capital and labor.

Here is a system that has reduced the percentage of poor in this nation by almost half in the past decade alone; a system in which even those on welfare receive more real income than 75% of the people of the world will see in their lifetime.

Here is a system that provides the working man with more opportunity, more real income, more leisure time, more personal freedom than any system in the history of man—and provides this all at the same time.

Here is a system that has made it possible for the United States to distribute 140 billion dollars in aid to the rest of the world since the end of World War II—that makes it possible for us to respond generously to human needs created by an earthquake in Peru, a flood in Romania or to a cyclone and tidal wave in East Pakistan.

And here is a system that makes possible massive aid to education, vital new programs to improve the health of our people, and a wide range of efforts to protect and restore our environment. A strong economy makes us strong enough to better our lives; a strong economy makes us strong enough to defend our freedom.

Our system produces wealth. I realize that "wealth" is a word that is scorned by a lot of people today.

But how could we afford our massive educational system without the wealth produced by the people who make our economy move? Where would we get the resources to care for the poor, to look after the sick, to clean up our air and water—if it were not for the wealth generated by our free economy?

Too many people make the mistake of thinking that because government is the distributor of so much wealth, government must

be the source of that wealth. Nothing could be farther from the truth.

You cannot pass a law raising a nation's standard of living. You cannot legislate into being the resources to solve our problems.

On the contrary, the only place you can turn to for the ability to help other people is that place that is so often denounced as the citadel of self-interest—the private enterprise system.

The next time you hear someone running that system down, the next time you hear the product of that system derided as "material" or unworthy of man's highest ideas—remember this:

A nation with the greatest social goals, with the most perfect political system, but without a strong and free economy is like a magnificent automobile without an engine.

We in America have that engine; it is something to be proud of, not ashamed of; it gives power to our purpose.

Surely there are many ways for that engine, that system, to be improved. But let us never forget that what is right about our system enables us to correct what is wrong. The wealth produced by labor, management and capital gives all of us the power to ennoble our aims, to enrich our own lives and the lives of our fellow men.

We are not the only nation to dream of opportunity with security, growth with stability, freedom with justice. That "American dream" is not limited to Americans.

But we stand first in the world on the road to achieving that dream, because we have created the system that can take us there.

Without a strong economy, dreams will always remain impossible dreams; but with the wealth that workingmen and businessmen produce, we can and we will turn our dreams into reality.

To the young person thinking of entering business tomorrow, as well as to those already managing and working in our free economic system today, may I point out that a credo for a new prosperity is emerging:

I believe the American economy is strong and growing stronger, capable of more than doubling the real income of each succeeding generation of Americans.

I believe American business will respond to the social as well as the economic demands of the consumer, adding to the dignity and security of work as well as the quality of life.

I believe the greatness of America's economic system will be judged by future generations not by how big it gets but how good it is; not only in the increased value of its investments, but in its increased investment in human values.

I believe that we will build a new prosperity that will last; not a period of good times between periods of hard times, but a steady prosperity that people can count on and plan for.

I believe that the new prosperity can never be gained at the expense of one group or another, but must be newly shared at every level of our society and among all our people.

And this above all: I believe that only if our economic system remains free can we achieve that combination of full employment—something Americans have never enjoyed in this century—with price stability that will be the foundation of a new prosperity in a full generation of peace.

tions for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 91-1680)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 17923) "making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 9, 11, 12, 16, 17, 24, 38, 39, 52, and 59.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 6, 7, 8, 13, 14, 19, 25, 27, 28, 29, 30, 31, 32, 33, 34, 37, 41, 42, 46, 47, 48, 51, 54, 55, 56, 58, 60, and 61; and agreed to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$151,633,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows: "except that \$200,000 of the foregoing amount shall be available for matching with funds utilized for research on cottonseed proteins under public law 89-502, and"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10; and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$68,476,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$128,507,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$6,066,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$15,855,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$14,276,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$14,926,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amend-

ment insert "\$17,796,800"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,675,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,420,000,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$24,273,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert: "\$250,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert: "and in addition, \$3,434,000 shall be derived by transfer from appropriation, "Food Stamp Program" and merged with this appropriation"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$3,588,650"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$3,764,750"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$337,000,000"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$128,800,000"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$103,000,000"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$86,000,000"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$4,204,000"; and the Senate agree to the same.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS—CONFERENCE REPORT

Mr. WHITTEN submitted the following conference report and statement on the bill (H.R. 17923) making appropri-

The committee of conference report in disagreement amendments numbered 3.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
W. R. HULL, Jr.,
GEORGE E. SHIPLEY,
FRANK E. EVANS,
GEORGE MAHON,
ODIN LANGEN,
ROBERT H. MICHEL,
MARK ANDREWS,
FRANK T. BOW,

Managers on the Part of the House.

SPESSARD L. HOLLAND,
RICHARD B. RUSSELL,
JOHN STENNIS,
ALLEN J. ELLENDER,
ROMAN L. HRUSKA,
MILTON R. YOUNG,
HIRAM L. FONG,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 17923) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments; namely:

DEPARTMENT OF AGRICULTURE

Title I—General activities

Agricultural Research Service

Amendment No. 1: Appropriates \$151,633,000 for research instead of \$146,143,200 as proposed by the House and \$160,446,200 as proposed by the Senate. The following tabulation lists the changes from the House bill agreed to by the conferees:

1. Improved methods for control of mastitis in dairy cattle	+\$150,000
2. Research to control the golden nematode.....	+73,000
3. Pollution research concerned with animal waste management....	+365,800
4. Staffing and equipping research laboratories.....	+820,000
a. Cotton cost-of-production laboratories	
Phoenix, Ariz.....	+80,000
Stoneville, Miss.....	+45,000
College Station, Tex.....	+65,000
b. Georgetown, Del. (poultry)	+75,000
c. Grand Forks, N. Dak. (nutrition)	+25,000
d. Athens, Ga. (utilization research lab).....	+195,000
e. Adjustment for delays in staffing.....	+335,000
5. Cooperative research program on cotton.....	—800,000
6. Increased pay costs.....	+161,000
7. Cooperative research on aphid-borne diseases in Northwest	+35,000
8. Soil and water air-plant research with the University of Florida.....	+65,000
9. Cooperative research on tobacco in North Carolina	+35,000
10. Research on overseas transportation and field handling of fruits and vegetables	+25,000
11. Wholesaling and retailing research	+35,000

12. Research on dairy cattle:	
a. Reproductive and food efficiency	+35,000
b. Dairy herd improvement	+35,000
13. Research on flowers and related ornamentals.....	+70,000
14. Research on horticulture specialty crops at University of West Virginia	+25,000
15. Acceleration of most essential research on sheep production by contract or grant.....	+100,000
16. Cooperative research program on the dog fly....	+35,000
17. Research on temporary storage of high moisture feed grains.....	+35,000
18. Research on fowl cholera in turkeys.....	+35,000
19. Investigation of mosaic-resistant and cold-tolerant sugarcane varieties, Houma, La.....	+40,000
20. Research on nonchemical means of pest control.....	+1,000,000
21. Medical research on horses.....	+35,000
22. Facilities, construction:	
a. Completion of Phase I construction, U.S. Animal Research Center, Clay Center, Nebr.....	+1,800,000
b. Modernization of Northeast Soil and Water Conservation Facility, Orono, Maine....	+600,000
c. Enlargement of research facilities for horticultural specialty crops in Northwest; Corvallis, Oreg., and Puyallup, Wash.....	+600,000
23. Facilities, planning: Soil and water research facility, Baton Rouge, La.....	+80,000

Net addition over the House bill..... +5,489,800

Although both the House and Senate bills included the same dollar amount, the conferees agreed to the addition of the words "and sheep", as proposed by the Senate, to the explanation of the budgeted total of \$1,328,800 to improve quality, reproductive and feeding efficiency of beef. In addition, it was agreed that such research performed should not duplicate research conducted under item 15 in the above listing.

With regard to laboratory staffing, the conferees, in recognition of the lateness of the appropriation bill, agreed to the total amount provided in the House bill for the pesticide laboratories at Gainesville, Florida; Savannah, Georgia; Stoneville, Mississippi; Durant, Oklahoma; and College Station, Texas. However, it was agreed that the Department should move as rapidly as possible toward full staffing for these laboratories in the recognition of language provided by Senate amendment number 4. The conferees also direct the Department to seek relief from its currently restrictive personnel limitations in order that this important staffing may take place without impairing other programs of the Department.

The conferees passed over without prejudice the Senate additions for the planning of the North-Central Dairy Cattle Management and Forage Research Laboratory and for the elimination of the Mediterranean

fruit fly and melon fly from Hawaii. The conferees agreed that with regard to the latter program, the Department should be prepared to fully report to the respective committees as to the progress, planning, and feasibility of experiments to eliminate the Mediterranean fruit fly and melon fly from Hawaii.

The conferees agreed that funds should be released from the contingency research fund for research on peanuts, including black hull disease and molds in the Southwest.

Amendment No. 2: Restores House language amended to provide that of the total funds provided for research, \$200,000 shall be made available for research on production of products from cottonseed proteins contingent on matching with funds available to the Cotton Board under the Cotton Research Promotion Act. This is in lieu of the \$1 million provided by the House and stricken by the Senate.

Amendment No. 3: Reported in technical disagreement. The managers on the part of the House will offer a motion to provide \$4,580,000 to remain available until expended for plans, construction, and improvement of research facilities as outlined above under Amendment No. 1.

Amendment No. 4: Inserts language, as proposed by the Senate, pertaining to the formulation of budget estimates for fiscal year 1972 for the pesticides research program.

Amendment No. 5: *Plant and animal disease and pest control.*—Provides \$98,619,750 as proposed by the House instead of \$99,369,750 as proposed by the Senate. The total allowed includes the following changes from the House bill: an increase of \$250,000 for the hog cholera eradication program and \$250,000 for pesticide regulation, and a decrease of \$500,000 in the contingency fund.

Amendment No. 6: Provides \$1,500,000 for the contingency fund reserved for control of emergency outbreaks of insects, plant diseases, and animal diseases as proposed by the Senate instead of \$2,000,000 as proposed by the House.

Cooperative State Research Service

Amendment No. 7: Appropriates \$61,390,000 for payments and expenses under the Hatch Act for research in rural development as proposed by the Senate instead of \$58,390,000 as proposed by the House.

Amendment No. 8: Provides \$4,412,000 for cooperative forestry research grants as proposed by the Senate instead of \$4,012,000 as proposed in the House.

Amendment No. 9: Provides \$2,000,000 for contracts and grants for scientific research as proposed by the House instead of \$3,350,000 as proposed by the Senate.

Amendment No. 10: Provides a total of \$68,476,000 instead of \$65,076,000 as proposed by the House and \$69,826,000 as proposed by the Senate.

Extension Service

Amendment No. 11: Deletes language inserted by the Senate providing \$10,400,000 for rural development work provided for in amendment 7.

Amendment No. 12: Provides for total payments of \$140,031,000 as proposed by the House instead of \$150,431,000 as proposed by the Senate.

Amendment No. 13: Provides \$12,932,600 for retirement and employees' compensation costs for extension agents as proposed by the Senate instead of \$13,515,000 as proposed by the House.

Farmer Cooperative Service

Amendment No. 14: Appropriates \$1,684,000 for salaries and expenses as proposed by the Senate instead of \$1,649,000 as proposed by the House.

Soil Conservation Service

Amendment No. 15: Appropriates \$128,507,000 for conservation operations instead of \$128,557,000 as proposed by the House and \$128,457,000 as proposed by the Senate. The restoration of \$50,000 will be used to staff new districts.

Amendment Nos. 16 and 17: Restore language proposed by the House.

Amendment No. 18: Appropriates \$6,066,000 for watershed planning instead of \$6,698,000 as proposed by the House and \$5,434,000 as proposed by the Senate.

Amendment No. 19: Appropriates \$76,000,000 for watershed works of improvement as proposed by the Senate instead of \$74,278,000 as proposed by the House.

Amendment No. 20: Appropriates \$15,855,000 for the Great Plains conservation program instead of \$15,355,000 as proposed by the House and \$16,355,000 as proposed by the Senate.

Amendment No. 21: Appropriates \$14,276,000 for resource conservation and development instead of \$13,876,000 as proposed by the House and \$14,676,000 as proposed by the Senate. The conferees are in agreement on the authorization of 15 new planning starts.

Economic Research Service

Amendment No. 22: Appropriates \$14,926,000 instead of \$14,592,000 as proposed by the House and \$16,228,000 as proposed by the Senate. The increase provided over the House bill includes \$207,000 for better forecasting and measures of farm income and \$127,000 for investigation of impact of world agricultural development and adjustment on U.S. foreign trade. The conferees are also in agreement that added emphasis should be placed on the latter investigation within available funds.

Statistical Reporting Service

Amendment No. 23: Appropriates \$17,796,800 for salaries and expenses instead of \$17,716,800 as proposed by the House and \$17,874,800 as proposed by the Senate. The increase over the House bill is for preparation of an updated farm operators expenditure survey. In addition, the conferees are in agreement that within available funds added emphasis shall be placed on research to improve agricultural statistics, remote sensing, and analysis of horticultural statistics.

Consumer and Marketing Service

Amendment No. 24: Appropriates \$149,247,000 for consumer protective, marketing and regulatory programs as proposed by the House instead of \$159,247,000 as proposed by the Senate, and deletes language inserted by the Senate pertaining to interstate shipment of meat inspected by approved State inspection systems. The House conferees concur in the Senate report in regard to market news and grade standards on ornamental crops including continued industry contributions.

Amendment No. 25: Deletes language proposed by the House.

Amendment No. 26: Appropriates \$1,675,000 for payments to States and possessions instead of \$1,600,000 as proposed by the House and \$1,750,000 as proposed by the Senate.

Food and Nutrition Service

Amendment Nos. 27-34: Provides a direct appropriation of \$301,974,000 for child nutrition programs and language provisions pursuant to Public Law 91-248 as proposed by the Senate instead of \$90,395,000 as proposed by the House. In addition, \$238,358,000 shall be available by transfer from section 32 funds, as provided in both bills. This will provide a total of \$540,332,000 in appropriated funds for the programs for fiscal year 1971.

Amendment No. 35: Appropriates \$1,420,000,000 for the food stamp program instead of \$1,250,000,000 as proposed by the House and \$1,750,000,000 as proposed by the Senate,

with a language provision restricting the expenditure of funds to the amounts authorized by law. Currently authorized is a total of \$770 million through January 31, 1971 pending final action on a new authorization bill.

Foreign Agricultural Service

Amendment No. 36: Appropriates \$24,273,000 for salaries and expenses instead of \$24,023,000 as proposed by the House and \$24,773,000 as proposed by the Senate.

Agricultural Stabilization and Conservation Service

Amendment No. 37: Provides a direct appropriation of \$150,000,000 for administrative expenses as proposed by the Senate instead of \$152,690,000 as proposed by the House.

Amendment No. 38: Deletes language inserted by the Senate pertaining to price support payments in view of the final action on the 1970 farm bill (Public Law 91-524).

Amendment No. 39: *Agricultural conservation program*.—Establishes a 1971 program of \$195,500,000 as proposed by the House instead of \$190,000,000 as proposed by the Senate.

The conferees agreed to call on the Department to announce the 1971 program, which should have been announced months ago, including therein all programs, practices and procedures available in the calendar year 1970 program except for such changes as may be recommended by the county committee and approved by the State committee.

The conferees have not included compulsory instructions in the Act, as in the past, choosing rather to rely on the good faith of the Department in carrying out these provisions.

In taking this action, the conferees considered the fact that ACP is the best program for fighting pollution at its source. The Department reports that about 85% of the funds were related to pollution control and abatement. Typical is the fact that ACP has shared costs with the farmer in the construction of 2 million sediment and water holding structures.

Amendment No. 40: Appropriates \$250,000 for indemnity payments to dairy farmers in lieu of \$500,000 as proposed by the Senate.

Rural Community Development Service

Amendment No. 41: Deletes House language providing a separate appropriation of \$230,000 for salaries and expenses. A like amount for overall coordination and direction of the program is included under the appropriation "General administration."

Office of the Inspector General

Amendment Nos. 42 and 43: Appropriate \$12,412,000 for salaries and expenses and provide for transfer of \$3,434,000 from the appropriation "Food stamp program" instead of a direct appropriation of \$15,378,000 as proposed by the House and a direct appropriation of \$12,412,000 and a transfer of not less than \$3,434,000 as proposed by the Senate.

Packers and Stockyards Administration

Amendment No. 44: Appropriates \$3,588,650 for salaries and expenses instead of \$3,508,650 as proposed by the House and \$3,748,000 as proposed by the Senate.

National Agricultural Library

Amendment No. 45: Appropriates \$3,764,750 instead of \$3,614,750 as proposed by the House and \$3,914,750 as proposed by the Senate.

Office of Management Services

Amendment No. 46: Appropriates \$3,459,000 for salaries and expenses as proposed by the Senate instead of \$3,384,000 as proposed by the House.

General Administration

Amendment No. 47: Appropriates \$6,058,000 for salaries and expenses as proposed by

the Senate instead of \$5,559,000 as proposed by the House.

Amendment No. 48: Deletes House language, as proposed by the Senate.

Title II—Credit agencies

Rural Electrification Administration

Amendment No. 49: Provides loan authorization of \$337 million for electrification loans instead of \$322 million as proposed by the House and \$352 million as proposed by the Senate.

The Conferees have considered the differences in the language contained in the House and Senate Committee reports recommending that the REA Administrator defer repayments of principal on certain rural electrification loans. After careful consideration of the Comptroller General's letter, dated September 28, 1970, addressed to the Secretary of Agriculture, the Conferees are in agreement that there is authority in Sections 4 and 12 of the Rural Electrification Act to follow both the House and Senate Committee recommendations, and that the Administrator, where he finds the financial condition of a borrower is sound and where the Government's interest is adequately safeguarded, may, in exercising such authority, proceed as follows: (a) by deferment of repayments of principal on outstanding loans for a period of three years in addition to any previous periods of deferment; and (b) by deferment of repayment of principal on new loans made after the date of this report for a period of three years in addition to the deferment period normally granted on new loans under preexisting practice. Such deferments may be made to meet local needs or where desired by REA electrification borrowers to voluntarily invest amounts equivalent to the amounts of principal to be so deferred in securities of the National Rural Utilities Cooperative Finance Corporation. It is expected by the Conferees that the REA Administrator will report to the House and Senate Committees actions taken by the REA Administrator pursuant hereto when he appears before the Committees to be heard on appropriations for REA for fiscal year 1972.

Amendment No. 50: Provides loan authorization of \$128.8 million for rural telephone loans instead of \$123.8 million as proposed by the House and \$138.8 million as proposed by the Senate.

Amendment No. 51: Deletes House language providing for a contingency reserve of \$20 million.

Amendment No. 52: Appropriates \$14,613,000 for salaries and expenses as proposed by the House instead of \$14,896,000 as proposed by the Senate.

Farmers Home Administration

Amendment No. 53: *Direct loan account*.—Authorizes \$103,000,000 for real estate loans instead of \$83,000,000 as proposed by the House and \$123,000,000 as proposed by the Senate. The increase of \$20,000,000 over the House bill is for water and waste disposal loans.

Amendment No. 54: *Rural housing insurance fund*.—Authorizes \$19,000,000 for direct loans as proposed by the Senate instead of \$30,000,000 as proposed by the House.

Amendment No. 55: *Mutual and self-help housing*.—Appropriates \$775,000 for grants as proposed by the Senate instead of \$2,125,000 as proposed by the House.

Amendment No. 56: *Self-help housing land development fund*.—Appropriates \$400,000 for direct loans as proposed by the Senate instead of \$1,000,000 as proposed by the House.

Amendment No. 57: Appropriates \$86,000,000 for salaries and expenses instead of \$81,500,000 as proposed by the House and \$87,250,000 as proposed by the Senate.

Amendment No. 58: Provides transfer of not more than \$2,250,000 from insurance

funds for salaries and expenses as proposed by the Senate instead of \$3,250,000 as proposed by the House.

Amendment No. 59: Restores House language providing that not more than \$250,000 shall be available for administration of Public Law 91-229.

Title III—Corporations

Commodity Credit Corporation

Amendment Nos. 60 and 61: Provide reimbursement to the Commodity Credit Corporation for net realized losses in the fiscal year 1969 of \$3,113,156,331 as proposed by the Senate instead of \$2,863,156,331 as proposed by the House and a total restoration of \$3,363,155,000 as proposed by the Senate instead of \$3,113,155,000 as proposed by the House.

Title IV—Related agencies

Farm Credit Administration

Amendment No. 62: Provides limitation of \$4,204,000 on administrative expenses instead of \$4,054,000 as proposed by the House and \$4,226,000 as proposed by the Senate.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1971 recommended by the Committee of Conference, with comparisons to the fiscal year 1970 total, the 1971 budget estimate total, and the House and Senate bills follows:

	Amounts
New budget (obligational) authority, fiscal year 1970	\$8,083,596,150
Budget estimates of new (obligational) authority, fiscal year 1971 (including \$216,579,000 not considered by House)	7,748,354,500
House bill, fiscal year 1971	7,450,188,150
Senate bill, fiscal year 1971	8,475,935,100
Conference agreement	8,090,856,550
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1970	+7,260,400
Budget estimates of new (obligational) authority, (as amended), fiscal year 1971	+342,502,050
House bill, fiscal year 1971	+640,668,400
Senate bill, fiscal year 1971	-385,078,550

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
W. R. HULL, Jr.,
GEORGE E. SHIPLEY,
FRANK E. EVANS,
GEORGE MAHON,
ODIN LANGEN,
ROBERT H. MICHEL,
MARK ANDREWS,
FRANK T. BOW,

Managers on the Part of the House.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. KEE (at the request of Mr. ALBERT), for today through December 20, on account of official business.

Mr. ADDABBO (at the request of Mr. CELLER), for Monday, December 7, 1970, on account of official business.

Mr. PETTIS (at the request of Mr. GERALD R. FORD), for today, on account of official business.

Mr. GRAY (at the request of Mr. BOGGS), for today, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. ANDERSON of Illinois (at the request of Mr. SEBELIUS), for 30 minutes, on December 7, 1970; to revise and extend his remarks and include therein extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SIKES and to include extraneous matter in five instances.

Mr. WHITE immediately preceding the vote on H.R. 8539.

Mr. HAYS, prior to the passage of H.R. 18012 today.

Mr. ADAIR, immediately following Mr. HAYS prior to the passage of H.R. 18012 today.

All Members (at the request of Mr. SPRINGER), to revise and extend their remarks on the bill S. 2162.

Mr. SCHMITZ to extend his remarks prior to passage of S. 437.

Mr. THOMPSON of New Jersey prior to the passage of Senate Concurrent Resolution 2.

Mr. SCHWENGEL prior to the passage of Senate Concurrent Resolution 2.

(The following Members (at the request of Mr. SEBELIUS) and to include extraneous matter:)

Mr. SCHERLE in 11 instances.

Mr. PRICE of Texas.

Mr. FINDLEY.

Mr. GOODLING.

Mr. RHODES.

Mr. HOSMER in two instances.

Mr. COLLIER in four instances.

Mr. ZWACH.

Mr. WYMAN in two instances.

Mr. SCHMITZ.

Mr. ASHBROOK in two instances.

Mr. STEIGER of Wisconsin.

Mr. TAFT.

Mr. BELL of California.

Mr. FISH.

(The following Members (at the request of Mr. PRYOR of Arkansas) and to include extraneous matter:)

Mr. ROSTENKOWSKI.

Mr. ICHORD in two instances.

Mr. OTTINGER.

Mr. BROWN of California.

Mr. STOKES.

Mr. UDALL.

Mr. GARMATZ.

Mr. GALLAGHER.

Mr. ULLMAN in five instances.

Mr. COHELAN.

Mr. BOGGS.

Mr. EDWARDS of California in two instances.

Mr. EVINS of Tennessee.

Mr. DELANEY.

Mr. BINGHAM in two instances.

Mr. DONOHUE in three instances.

Mr. CABELL in two instances.

Mr. WOLFF.

Mr. FRIEDEL.

Mr. KLUCZYNSKI in two instances.

Mr. FOUNTAIN in two instances.
Mr. ZABLOCKI in three instances.
Mr. MINISH.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1160. An act to amend the act of April 22, 1960, providing for the establishment of the Wilson's Creek Battlefield National Park.

H.R. 3328. An act to authorize the Secretary of the Interior to approve an agreement entered into by the Soboba Band of Mission Indians releasing a claim against the Metropolitan Water District of Southern California and Eastern Municipal Water District, California, and to provide for construction of a water distribution system and a water supply for the Soboba Indian Reservation; and to authorize long-term leases of land on the reservation;

H.R. 13934. An act to amend the act of September 21, 1959 (73 Stat. 590), to authorize the Secretary of the Interior to revise the boundaries of Minute Man National Historical Park, and for other purposes.

H.R. 18679. An act to amend the Atomic Energy Act of 1954, as amended, to eliminate the requirement for a finding of practical value, and for other purposes;

H.R. 19000. An act to amend the act of April 24, 1961, authorizing the use of judgment funds of the Nez Perce Tribe;

H.J. Res. 1077. Joint resolution to amend the joint resolution authorizing appropriations for the payment by the United States of its share of the expenses of the Pan American Railways Congress Association; and

H.J. Res. 1411. Joint resolution correcting certain printing and clerical errors in the Legislative Reorganization Act of 1970.

BILLS PRESENTED TO THE PRESIDENT

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee did on December 4, 1970, present to the President, for his approval, bills of the House of the following titles:

H.R. 471. An act to amend section 4 of the act of May 31, 1933 (48 Stat. 108); and

H.R. 18126. An act to amend title 28 of the United States Code to provide for holding district court for the Eastern District of New York at Westbury, N.Y.

ADJOURNMENT

Mr. PRYOR of Arkansas. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 23 minutes p.m.), the House adjourned until tomorrow, Tuesday, December 8, 1970, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2598. A letter from the Assistant Secretary of the Army (Installations and Logistics) transmitting notice of the movement of certain lethal chemical warfare agents, pursuant to Public Law 91-121; to the Committee on Armed Services.

2599. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, Department of the Army, dated October 2, 1970, submitting a report, together with accompanying papers and an illustration, on Dunkirk Harbor, N.Y., in partial response to an item in the River and Harbor Act approved March 2, 1945. (H. Doc. 91-423) to the Committee on Public Works and ordered to be printed with illustration.

2600. A letter from the Secretary of the Air Force, transmitting a report of the number of officers in the Air Force above the grade of major on flying status as of October 31, 1970, and the average monthly flight pay authorized by law to be paid to such officers during the 12-month period ended that date. Pursuant to 37 U.S.C. 301(g) to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Submitted December 4, 1970]

Mr. RIVERS: Committee on Armed Services. House Resolution 1282. Resolution to support for efforts to rescue American prisoners of war incarcerated in North Vietnam; with an amendment (Rept. No. 91-1671). Referred to the House Calendar.

[Submitted December 5, 1970]

Mr. McMILLAN: Committee on the District of Columbia. H.R. 19885. A bill to provide additional revenue for the District of Columbia, and for other purposes; with an amendment (Rept. No. 91-1672). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Science and Astronautics. For the benefit of all mankind. A survey of the practical returns from space investment (Rept. No. 91-1673). Referred to the Committee of the Whole House on the State of the Union.

Mr. WATTS: Committee on Ways and Means. H.R. 7626. A bill to amend the Tariff Schedules of the United States with respect to the tariff classification of certain sugars, sirups, and molasses, and for other purposes; with an amendment (Rept. No. 91-1674). Referred to the Committee of the Whole House on the State of the Union.

Mr. FULTON of Tennessee: Committee on Ways and Means. H.R. 19670. A bill to suspend the duties on certain bicycle parts and accessories until the close of December 31, 1973; with no amendments (Rept. No. 91-1675). Referred to the Committee of

the Whole House on the State of the Union.

Mr. BURLESON of Texas: Committee on Ways and Means. H.R. 19470. A bill to amend title XVIII of the Social Security Act to modify the nursing service requirement and certain other requirements which an institution must meet in order to qualify as a hospital thereunder so as to make such requirements more realistic insofar as they apply to smaller institutions; with an amendment (Rept. No. 91-1676). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOLIFIELD: Joint Committee on Atomic Energy. H.R. 19908. A bill to amend Public Law 91-273 to increase the authorization for appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes (Rept. No. 91-1677). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORGAN: Committee on Foreign Affairs. H.R. 19911. A bill to amend the Foreign Assistance Act of 1961, and for other purposes (Rept. No. 91-1678). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. Investigation and study of the Clifton Terrace project in the District of Columbia; with amendment (Rept. No. 91-1679). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee of Conference. Conference report on H.R. 17923 (Rept. No. 91-1680). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURTON of California:

H.R. 19915. A bill to make permanent the existing temporary provision for disregarding income of OASDI and railroad retirement recipients in determining their need for public assistance; to the Committee on Ways and Means.

By Mr. FOLEY (for himself, Mr. QUIE, Mr. ADAMS, Mr. BINGHAM, Mr. BOLAND, Mr. BROWN of California, Mr. CONTE, Mr. GREEN of Pennsylvania, Mrs. HANSEN of Washington, Mr. HARRINGTON, Mr. LOWENSTEIN, Mr. MCCLOSKEY, Mr. MATSUNAGA, Mr. MEEDS, Mr. MOORHEAD, Mr. MORSE, Mr. OBEY, Mr. OTTINGER, Mr. PEPPER, Mr. ROSTENKOWSKI, Mr. RYAN, Mr. ST GERMAIN, and Mr. TIERNAN):

H.R. 19916. A bill to amend the Food Stamp Act of 1964, as amended; to the Committee on Agriculture.

By Mr. FRASER:

H.R. 19917. A bill to amend the District of Columbia Election Act, and for other purposes; to the Committee on the District of Columbia.

By Mr. PEPPER:

H.R. 19918. A bill conquest of cancer act; to the Committee on Interstate and Foreign Commerce.

By Mr. FRIEDEL:

H. Res. 1293. Resolution authorizing the establishment of six additional positions of sergeant and one additional position of lieutenant on the U.S. Capitol Police force for duty under the House of Representatives, and for other purposes; to the Committee on House Administration.

By Mr. HARRINGTON:

H. Res. 1294. Resolution to provide for the consideration of the bill (H.R. 18214) the Consumer Protection Act of 1970; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of California:

H.R. 19919. A bill for the relief of Long Chinh Le; to the Committee on the Judiciary.

By Mrs. MINK:

H.R. 19920. A bill for the relief of James L. Gerard, James W. Summers, and William D. Ciesel; to the Committee on the Judiciary.

H.R. 19921. A bill for the relief of Mau Duc Nguyen; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

644. By Mr. ZABLOCKI: Petition of Civic Awareness of America, Mrs. Alvin J. Emmons and Mrs. Ray Kuffel; Reverence for Life of America, Mrs. David R. Mogilka. In regard to the billion-dollar-population control bill, S. 2108 and H.R. 15159, along with the more than 40 bills and resolutions now pending in Congress. Signed by approximately 10,000 signators nationwide opposing S. 2108 and H.R. 15159 and any similar population control legislation. "We object to the use of our tax dollars for immoral programs of contraception, selective breeding, sterilization, abortion, euthanasia and infanticide. We object to Federal laws as well as opinions by appointed Federal judges which supersede State laws whereby depriving the individual State of the right of self-determination. We hereby petition our Congressmen and U.S. Senators to vote against any and all federally financed programs of population controls."; to the Committee on Interstate and Foreign Commerce.

645. By the SPEAKER: Petition of the city commission, Kalamazoo, Mich., relative to Operation Headstart; to the Committee on Appropriations.

646. Also, petition of Arthur Baker, Huntsville, Tex., relative to redress of grievances; to the Committee on the Judiciary.

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of December 8, 1970
91st-2nd; No. 196

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HIGHLIGHTS: Both Houses agreed to the conference report on agricultural appropriations, clearing the measure for the President.
Senate passed and cleared for the President bills affecting peanut acreage allotments, and animal welfare.
House passed with amendments the Plant Variety Protection Act.
Conferees in executive session agreed to file conference report on the proposed Federal Salary Comparability Act.
Sen. Cooper extolled the Agricultural Conservation Program.

SENATE

1. APPROPRIATIONS. Both Houses agreed to the conference report on H.R. 17923, FY 1971 appropriations for the Department of Agriculture. This bill now goes to the President. pp. S19664-81; H11300-6
Passed H.R. 19590, FY 1971 appropriations for the Defense Establishment, with amendments: conference requested and conferees appointed. pp. S19631-64 S19681-712
2. PEANUT ACREAGE ALLOTMENTS; ANIMAL WELFARE. Passed without amendment H.R. 17582, establishing permanent authority for the sale and transfer of peanut acreage allotments; and H.R. 19846, relating to the care of certain animals used for purposes of research, experimentation, exhibition, or held for sale as pets. Both bills now go to the President. pp. S19690; S19714-6
3. HOUSING, URBAN DEVELOPMENT. Passed H.R. 19436, after substituting the language of S. 4368 passed earlier, the proposed Housing and Urban Development Act of 1970, with further amendment. p. S19712
4. ACP. Sen. Cooper praised the Agricultural Conservation Program and called upon President to act to restore funds for the service. pp. S19630-1
5. RAILWAY STRIKE. Both Houses received the President's message concerning the railway strike emergency, (H. Doc. No. 91-424) pp. H11299-300; S19563

HOUSE

6. NOVEL PLANT VARIETIES. Passed with amendments S. 3070, to encourage the development of novel varieties of sexually reproduced plants. pp. H11330-9
7. APPROPRIATIONS-DOT; FEDERAL-AID HIGHWAY ACT; HAZARDOUS SUBSTANCES. Disagreed with Senate amendments, requested conference, and appointed conferees, on the following bills:
H.R. 19504, Federal-Aid Highway Act; and
H.R. 17755, FY 1971 Appropriations for the Department of Transportation.
Insisted on its amendment and requested conference on S. 2162, to provide for special packaging to protect children from hazardous substances; conferees appointed. pp. H11300; H11306-24; H11330-9
8. ANIMAL WELFARE. Rep. Whitehurst spoke in favor of H.R. 19846, the Animal Welfare measure and inserted the report "Committee Intent". pp. H11340-1
9. FEDERAL PAY. Conferees, in executive session, agreed to file a conference report on H.R. 13000, proposed Federal Salary Comparability Act of 1970.



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PROCEEDINGS AND DEBATES OF THE 91st CONGRESS, SECOND SESSION

Vol. 116

WASHINGTON, TUESDAY, DECEMBER 8, 1970

No. 196

House of Representatives

The House met at 12 o'clock noon.

Rabbi Seymour E. Freedman, Concord Hotel Synagogue, Kiamasha Lake, N.Y., offered the following prayer:

Almighty G-d: As this day begins, we lift our thoughts to praise Thee for granting us life. Implant within us now, the radiance of Thy spirit so that our deeds shall reflect the nobility of our aspirations. Help us to feel Thy divine presence, challenging us to become Thy messengers on earth bringing equity and compassion to all.

Unto the Members of this House of Representatives, who have assumed the burdens of leadership, grant inner strength, be their shield and refuge in times of difficult decision. May the knowledge that they labor to build a better America be their constant inspiration.

Grant Thy blessings, O G-d, upon this Nation. May these United States ever be an international force guiding all the world to prosperity amid peace. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 2876. An act for the relief of the Beasley Engineering Co., Inc.;

H.R. 8573. An act for the relief of Mrs. Margaret M. McNellis;

H.R. 12958. An act for the relief of Central Gulf Steamship Corp.;

H.R. 15770. An act to provide for conserving surface waters; to preserve and improve habitat for migratory waterfowl and other wildlife resources; to reduce runoff, soil and wind erosion, and contribute to flood control; and for other purposes; and

H.R. 19830. An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, offices, and the Department of Housing and Urban Development for the fiscal year ending June 30, 1971, and for other purposes.

The message also announced that the Senate had passed with amendment in

which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 19504. An act to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 19504) entitled "An act to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RANDOLPH, Mr. JORDAN of North Carolina, Mr. MONTROYA, Mr. SPONG, Mr. COOPER, Mr. BOGGS, and Mr. BAKER to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate, to the bill (H.R. 10634) entitled "An act to amend the Interstate Commerce Act and the Federal Aviation Act of 1958 in order to exempt certain wages and salaries of employees from withholding for income tax purposes under the laws of States or subdivisions thereof other than the State or subdivision of the employee's residence."

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 4561. An act to amend the peanut marketing quota provisions to make permanent certain provisions thereunder.

The message also announced that the Vice President, pursuant to Public Law 91-405, appointed Mr. SPONG and Mr. MATHIAS to the Commission on the Organization of the Government of the District of Columbia.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
December 8, 1970.

The Honorable the SPEAKER,
U.S. House of Representatives.

DEAR SIR: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 7:40 p.m. on Monday, December 7, 1970, said to contain a Message from the President concerning a railway strike stemming from a dispute between railway carriers and four unions representing their employees.

With kind regards, I am,

Sincerely,

W. PAT JENNINGS,
Clerk, U.S. House of Representatives.

RAILWAY STRIKE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 91-424)

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed:

To the Congress of the United States:

After much effort at settlement through negotiation and mediation, we are confronted with an emergency stemming from a dispute between railway carriers and four unions representing their employees. The unions involved have declared their intention of calling a nationwide strike starting at 12:01 a.m., December 10, 1970.

All existing governmental procedures have been carefully but vainly used to bring about a settlement of the dispute. Negotiations among the parties, based upon the recommendations of the Emergency Board, have progressed during the last 30 days. However, because of the number of parties and the complexity of the issues involved, these negotiations have not resulted in an agreed-upon resolution. At my direction, the Secretary of Labor has sought from the parties a voluntary extension of negotiations without strike or lockout, but he has not been successful.

A nationwide stoppage of rail service would cause hardship to all Americans and harm to the economy, particularly a stoppage at the height of the pre-Christmas season.

It is essential that our railroads con-

H 11299

tinue to operate. Therefore, I recommend that the Congress extend for 45 days the period during which no work stoppage may occur. It is my hope that these additional 45 days will lead to a voluntary negotiated settlement of this dispute.

In requesting an extension to January 23, 1971, I am mindful of the fact that the current Congressional session is fast drawing to a close and there are many other pressing and important matters to be dealt with. Under these circumstances, it would not seem advisable to thrust upon the Congress at this time the consideration of the complicated substantive issues of this dispute.

The fact that some progress has been made in negotiations is encouraging, and it indicates that the parties may be able to resolve their differences. However, if no settlement is reached within this time period, I shall make additional recommendations to the Congress.

I urge that Congress act quickly on my proposal so that a crippling stoppage can be averted, and so that the Nation's travelers and shippers can depend on uninterrupted service.

RICHARD NIXON.

THE WHITE HOUSE, December 7, 1970.

APPOINTMENT OF CONFEREES ON H.R. 19504, FEDERAL AID HIGH- WAY ACT

Mr. KLUCZYNSKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 19504) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? The Chair hears none, and appoints the following conferees: Messrs. FALLON, KLUCZYNSKI, WRIGHT, EDMONDSON, CRAMER, HARSHA, and CLEVELAND.

APPOINTMENT OF CONFEREES ON H.R. 380, AMENDING SECTION 7 OF THE ACT OF AUGUST 9, 1946 (60 STAT. 968)

Mr. HALEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 380) to repeal section 7 of the act of August 9, 1946 (60 Stat. 968), with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Florida? The Chair hears none, and appoints the following conferees: Messrs. HALEY, EDMONDSON, and SAYLOR.

APPOINTMENT OF CONFEREES ON H.R. 17867, FOREIGN ASSISTANCE AND RELATED PROGRAMS AP- PROPRIATIONS, 1971

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 17867)

making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1971, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana? The Chair hears none, and appoints the following conferees: Messrs. PASSMAN, ROONEY of New York, Mrs. HANSEN of Washington, Messrs. COHELAN, LONG of Maryland, McFALL, MAHON, SHRIVER, CONTE, Mrs. REID of Illinois, and Messrs. RIEGLE and BOW.

FBI DIRECTOR OWES APOLOGY FOR ETHNIC SLUR

(Mr. EDWARDS of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of California. Mr. Speaker, FBI Director J. Edgar Hoover owes an immediate apology to Mexico, to Puerto Rico, as well as to the millions of Americans of Mexican and Puerto Rican descent for his unforgivable ethnic slur as reported in this week's Time magazine.

Referring to the protection of the President on trips, Mr. Hoover is reported to have said:

You never have to bother about a President being shot by Puerto Ricans or Mexicans. They don't shoot very straight: But if they come at you with a knife, beware.

I am sure I do not have to explain to my colleagues the racial implications of this remark. I will only protest it most vigorously and point out to Mr. Hoover that it is false—that the fine people he referred to take second place to none in talent, bravery, dedication, and patriotism. The splendid record of Mexican Americans as soldiers, sailors, fliers, and marines is a source of pride not only to them but to all Americans.

Moreover, Mr. Hoover, as head of the FBI and a veteran of public service for more than 40 years, should know this kind of language is destructive and violates his public responsibility.

OUTSTANDING PERFORMANCE BY THE SPEAKER OF THE HOUSE

(Mr. BURKE of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURKE of Massachusetts. Mr. Speaker, I take this opportunity to bring to the attention of the Members of this House the outstanding job, the excellent performance, of our beloved Speaker, the Honorable JOHN W. McCORMACK.

During yesterday's session approximately 25 bills were debated, discussed, and acted upon by this House under the suspension rule.

Our Speaker is a dedicated and devoted public servant. He is young in mind, young in heart, and young in spirit. I know when the "Good Book" is written about the U.S. Congress, like the name of Abou ben Adhem, the name of JOHN W. McCORMACK will lead all the rest.

CONSUMER CLASS ACTION BILL

(Mr. ECKHARDT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ECKHARDT. Mr. Speaker, it is now the fourth day since I sent a letter to the President urging him to get his version of the consumer class action bill to the floor on the vehicle of my bill, H.R. 18764, which is the first order of business before the Interstate and Foreign Commerce Committee and is being blocked by the solid ranks of the Republicans. I have not heard from the President, though I know the executive department knows about it, because Mr. Bruce Wilson of the Justice Department, assistant to Richard W. McLaren, Assistant Attorney General, Antitrust Division, asked for the letter yesterday. I hope the President will get to this matter before the end of the session.

PERSONAL STATEMENT ON PRISONER-OF-WAR RESOLUTION

(Mr. BEALL of Maryland asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BEALL of Maryland. Mr. Speaker, yesterday the House of Representatives passed House Resolution 1282, commending the brave American servicemen who attempted the daring raid on San Tay in an effort to free American prisoners of war believed to be held there. I would like the record to show that I was unavoidably absent during the vote on this measure; but if I had been present, I would certainly have voted in favor of this passage.

I was a cosponsor of the resolution as originally introduced and am continually dismayed at the outrageous behavior of the North Vietnamese with regard to American prisoners of war. Certainly the treatment of prisoners is clearly outlined in international law, and the North Vietnamese Government has shown a total disregard for the Geneva Convention to which they agreed.

It is incumbent upon citizens all across our country, and particularly those of us who serve in the legislative branch as well as the executive branch of our Government, to take every step that will bring public pressure to bear in an effort to influence the Government of North Vietnam to free these prisoners.

I applaud the House on the passage of House Resolution 1282 and again reiterate my strong support of this measure.

AGRICULTURE AND RELATED AGENCIES APPROPRIATION, 1971

Mr. WHITTEN. Mr. Speaker, I call up the conference report on the bill (H.R. 17923) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of December 7, 1970.)

Mr. WHITTEN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may consume.

(Mr. WHITTEN asked and was given permission to revise and extend his remarks and to include tables and other extraneous matter.)

Mr. WHITTEN. Mr. Speaker, we bring before you today the conference report on appropriations for the Department of Agriculture and related agencies for fiscal year 1971.

May I say here, we have provided for fully restoring the agricultural conservation program, and called on the Department to announce and carry out next year the same program we have had this year.

The Senate yielded on its \$20,000 limit on payments and the new farm bill with its \$55,000 limit will apply.

We have increased funds for rural water systems, both loans and grants, and for sewerage and water grants and loans.

We have made funds more readily available to meet the growing need for rural electricity power so badly needed when farm labor is not available.

Mr. Speaker, each time I bring this bill to the floor we have fewer and fewer Members of this body from rural areas, and thus less and less understanding of many problems. As I pointed out in June when this bill was last considered by the House, this bill should be of great and serious importance to each and every Member, because involved is the very basic foundation of our well-being and of our economy. We must take note that greater and greater numbers are quitting the farm, averaging from 600,000 to 800,000 annually. If their acreage was not farmed by the few, the larger farmers left, food would be much more scarce and much higher.

These people are leaving the farm for urban areas because farming requires longer work hours, harder work, larger investment, higher risk, and provides a decreasing return. You can understand why when you realize that the average return on farm equities has dropped from 7.1 percent in the period 1945-49 to 3.1 percent in 1968. Further, up until recently rural America has not offered the same advantages as have our cities, a situation we are trying to correct with loans for rural homes, rural water systems, sewerage systems, adequate electricity, and so forth.

Actually Mr. Speaker, we might term this bill an appropriation for public health and safety, for it carries \$141,000,000 for inspection of meats, research, supervision of pesticides, for

quarantines, inspection and treatment of the hundreds of thousands of airplanes which land here annually from foreign countries, and similar programs.

Or we might call this an appropriation for the protection of industry and labor, for the 5.1 percent on the farm have substituted machinery and other substitutes for farm labor, spending more than \$4.8 billion for machinery and motor vehicles in 1967.

This bill might be called an antipollution bill, for its Soil Conservation Service and Agricultural Stabilization Service will catch 2.9 billion tons of sediment near its source with retarding structures, multipurpose reservoirs, and over 2 millions smaller structures. These programs, plus others such as water and waste disposal programs, take \$694,704,000 of the total.

Or we might term the bill, the people's bill, for \$2,814,718,000, goes to finance programs of school lunch, school milk, aid to the needy, food stamps, and other nutrition-related programs.

It could be termed a bill to help with our foreign problems and policy, for \$702,500,000 of the total goes to Public Law 480, sales for foreign currencies.

It could be called rural development for \$466,200,000 goes for repayable rural loans.

Of the remainder, \$3,363,155,000 goes to the Commodity Credit Corporation for capital restoration which should carry that Corporation for years to come.

But perhaps above that, we should term this a bill to stave off financial depression and disaster, for it has been a drastic break in farm income, with the resulting break in purchasing power, which has led to every depression.

After all, the farm program was passed not as a relief program for farmers, but to restore farm purchasing power that the general economy might recover, and it did.

It would be well to review the great depression of the later twenties and early thirties, the seeds for which were sown in the 1920's following World War I when the Government announced the price of wheat would not be supported. The wheat which had brought \$2.94 a bushel in July 1920 brought \$1.72 in December 1930, and 92 cents a year later. Cotton fell to a third of its July 1920 price and corn by 62 percent. The value of agricultural products dropped from \$18,328,000,000 in 1920 to \$12,402,000,000 in 1921. Four hundred and fifty-three thousand farmers lost their farms, all reflected by failures of local banks.

In 1928 these prices were: wheat, \$1; cotton, 18 cents; and corn, 84 cents. By 1931 wheat was 38 cents; cotton 5.5 cents; and corn, 32 cents. The Dow-Jones stock price averages followed by declining from a high of 381.2 in September to a low of 41.2 in July of 1932.

It has been said that there were more suicides during this period among those that did not know what a farm was as a result of the breakdown in farm or commodity prices—which had led to a fall in prices and values throughout the economy—than in any other period in our history.

I repeat—farm income, and resulting real purchasing power, has already

dropped more than 50 percent on the farmer's investment since 1940, from 7.1 percent to 3.10. The warning signs are out.

Now, why can't we get this story over? Perhaps too few are willing to study history; or perhaps it is because the news media is focused on the 95 percent of nonfarmers.

Whatever it is, the story must be gotten over, for the sake of all.

Back to the detail in this conference report. It includes \$100 million for grants and almost \$108 million for loans for rural water and sewer systems. It also includes \$15,855,000 and 15 planning starts for the community-oriented R.C. & D. projects.

Power and communications are equally fundamental to rural development as is housing and community facilities. This bill under consideration includes \$337 million for new electric loans and \$128.8 million for new telephone loans for 1971. With these funds the rural electric and telephone services will continue to improve for 25 million rural residents.

Today, over 98 percent of our Nation's farms have electric service and more than 80 percent have dial telephones. Rural people have made good use of these services—doubling their use of electricity every 7 to 10 years. The continuing need to develop and vitalize rural America is the great challenge for the 1,200 rural electric and telephone systems.

Of widespread concern to rural America as well as to the urban populations is the matter of pollution. Increased funds for planning and construction are provided in this bill for watershed protection and flood prevention activities of the Soil Conservation Service. Over the years, these important programs have built or planned 8,944 floodwater retarding structures and 440 multiple-purpose reservoirs which will catch 2.9 billion tons of sediment near its source.

In addition, despite determined opposition by the Office of Management and Budget, the conferees have included \$195,500,000 for the 1971 ACP program. In the face of a vast outpouring of letters and the fact that both Houses had substantially agreed on a new program early in the fiscal year, no 1971 program has been announced.

While I have been a supporter of the many efforts by the Government to stem the tide of pollution, and support such efforts now, it is hard to understand why, while these tremendous amounts of money for pollution control—in excess of \$2 billion for the current year, and probably twice that amount for the next year—are recommended by the Bureau of the Budget at the same time the Bureau of the Budget recommends, as it has for 14 years, a drastic reduction in or elimination of the agricultural conservation program wherein about one million Americans put up their time and their money—two-thirds of the cost—not only to save the lands for future generations but to help to preserve our water as we protect man from the pollution of our streams.

Apart from the program benefits, the abolishment of this program will cause the closing of about 300 county ASCS offices where farmers must go to transact

their business with the Government as well as the loss of about 870 man-years of Soil Conservation Service technical staff, technicians, I might add, who have dedicated their lives to fighting pollution at its source—the land. Because of these facts, the conferees have directed in no uncertain terms that the agricultural conservation program be announced without further delay.

Mr. Speaker, I also feel I should point out we added the following language to the section on Soil Conservation Service, Conservation Operations, page 9:

Provided, That Public Law 40, Eighty-fourth Congress, making appropriations for

the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1956, and for other purposes, is hereby amended by striking out the period following the last proviso in the section entitled "Flood Prevention", substituting a comma and adding the following: "and where the Army does have jurisdiction and responsibility, may enter into agreements with the Army to carry out jointly the measures heretofore set out and in areas where the Secretary is authorized to purchase land rights for structural measures, the Secretary in lieu of such acquisition, may reimburse local organizations for such proportionate share of the cost of land rights furnished by local organizations as the Secretary deems equitable in consideration of the national interest.

This language when added to Public Law 40, 84th Congress, will enable the Soil Conservation Service and the Corps of Engineers to more fully discharge their responsibilities and by agreement to meet many erosion, bank caving, and other problems.

Of concern to all of us are the programs of agriculture directed to the problems of human nutrition. The funds included in the bill, are today serving free and reduced-price lunches to 5.3 million needy youngsters; 12 million are receiving the benefit of the family assistance programs. I am including at this point in the RECORD a summary of the food programs for 1970 and 1971:

FOOD ASSISTANCE PROGRAMS

[Program level—dollars in thousands. The House did not consider the Child Nutrition budget amendment of \$216,579,000 submitted to the Senate on July 1, 1970]

Program	Fiscal year 1971				Program	Fiscal year 1971			
	Fiscal year 1970	House bill	Senate bill	Conference recommendations		Fiscal year 1970	House bill	Senate bill	Conference recommendations
A. Child nutrition program:					C. Family feeding program:				
1. Cash grants to States:					1. Food Stamp program	\$610,000	\$1,250,000	\$1,750,000	\$1,420,000
(a) School lunch (Sec.4).....	\$168,041	\$169,721	\$225,000	\$225,000	2. Direct distribution to families:				
(b) Free and reduced-price lunches.....	134,800	200,000	356,400	356,400	(a) Section 32 commodities.....	182,015	160,300	160,300	160,300
(c) School breakfast.....	12,000	15,000	15,000	15,000	(b) Financial assistance to States.....	16,000	19,700	19,700	19,700
(d) Nonfood assistance.....	15,000	17,500	15,000	15,000	(c) Federal direct operation at local level.....	2,318			
(e) State administrative expenses.....	2,750	2,750	3,500	3,500	(d) Section 416.....	61,942	92,745	92,745	92,745
(f) Nonschool food program.....	213,572	25,000	215,000	215,000	Total, direct distribution to families.....	262,275	272,745	272,745	272,745
Total, cash grants.....	346,163	414,971	629,900	629,900	3. Nutrition supplement.....	33,000	40,000	40,000	40,000
2. Commodities to States.....	230,205	264,465	264,465	264,465	Total, Family feeding.....	905,275	1,562,745	2,062,745	1,732,745
3. Nutrition training activities.....			750	750	D. Direct distribution to institutions.....	12,889	26,416	26,416	26,416
4. Federal operating expenses.....	5,282	5,542	6,442	6,442	E. Nutrition education program ³	30,000	50,000	50,000	50,000
Total, child nutrition program.....	581,650	689,978	901,557	901,557	Total, food assistance program.....	1,633,814	2,433,139	3,144,718	2,814,718
B. Special milk program:									
1. Milk (direct appropriation).....	83,314	103,314	103,314	103,314					
2. Special Section 32 funds used for milk program.....	20,000								
3. Administrative expenses.....	686	686	686	686					
Total, special milk program.....	104,000	104,000	104,000	104,000					

¹ Revised to reflect approval of Public Law 91-207 (Mar. 12, 1970) to provide additional funds for child nutrition program.

² Excludes balances carried forward to succeeding year.

³ Includes administrative expenses.

The conference committee carefully considered the plight of the food stamp program. The conferees appropriated \$1,420 million calculated to continue this program at about the current level. The conferees agreed that to place more funds in the bill—up to the \$1,750 million provided by the Senate—would be prejudicial to the work on a new authorization measure to be considered here today or tomorrow.

The conferees are aware that final action of both bodies on the food stamp authorization bill remains uncertain. In the interim, funds contained in this bill should very well suffice until action

on a supplemental appropriation bill early next session.

The conference bill carries language limiting the expenditure of funds to the amounts authorized. The Food Stamp Act of 1968 (Public Law 90-552) authorized \$170 million through December 31, 1970. Because of the changes in the food stamp program raising its cost, Congress approved a special appropriation—under Public Law 91-305—of \$300 million available through October 31, 1970 and chargeable to the 1971 appropriation.

The continuing resolution (Public Law

91-454) approved October 15, 1970, amended the \$300 million to read \$600 million and made it available through January 31, 1971. Therefore, a total authorization of \$770 million is currently available to be spent. If, because of the lateness of the session, final agreement cannot be reached on a new authorization bill, a further increase in the authorization can be sought to assure the continuation of the program.

At this point, Mr. Speaker, I would like to introduce for the RECORD a comprehensive table reflecting the recommendations of the conferees.

COMPARATIVE STATEMENT OF CONFEEE RECOMMENDATIONS AND NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1970,
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE HOUSE AND SENATE BILLS FOR 1971

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and title	New budget (obligational) authority enacted to date, fiscal 1970 ¹	Budget estimates of new (obligational) authority, fiscal year 1971	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	New budget (obligational) authority recommended by conferees	Increase (+) or decrease (—) Conferee recommendations compared with—			
						1970	1971 budget	1971 House bill	1971 Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TITLE I—GENERAL ACTIVITIES									
Agricultural Research Service:									
Salaries and expenses:									
Research:									
Direct appropriation.....	\$142,886,200	\$141,437,200	\$146,143,200	\$160,446,200	\$151,633,000	+\$8,746,800	+\$10,195,800	+\$5,489,800	—\$8,813,200
Transfer from sec. 32.....	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)				
Total, research.....	(157,886,200)	(156,437,200)	(161,143,200)	(175,446,200)	(166,633,000)	(+8,746,800)	(+10,195,800)	(+5,489,800)	(—8,813,200)
Plant and animal disease and pest control.....	97,393,750	98,763,750	98,619,750	99,369,750	98,619,750	+1,226,000	—144,000		—750,000
Special fund (reappropriation).....	2,000,000	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	—2,000,000			
Total, salaries and expenses.....	242,279,950	240,200,950	244,762,950	259,815,950	250,252,750	+7,972,800	+10,051,800	+5,489,800	—9,563,200
Salaries and expenses (special foreign currency program).....	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000				
Total, Agricultural Research Service.....	247,279,950	245,200,950	249,762,950	264,815,950	255,252,750	+7,972,800	+10,051,800	+5,489,800	—9,563,200
Cooperative State Research Service: Payments and expenses.....									
	62,640,000	72,535,000	65,076,000	69,826,000	68,476,000	+5,836,000	—4,059,000	+3,400,000	—1,350,000
Extension Service:									
Payments to States and Puerto Rico.....	114,006,000	150,431,000	140,031,000	150,431,000	140,031,000	+26,025,000	—10,400,000		—10,400,000
Retirement and employees' compen- sation for extension agents.....	10,240,000	13,515,000	13,515,000	12,932,600	12,932,600	+2,692,600	—582,400	—582,400	
Penalty mail.....	3,400,000	3,617,000	3,617,000	3,617,000	3,617,000	+217,000			
Federal Extension Service.....	4,088,000	4,228,000	4,188,000	4,188,000	4,188,000	+100,000	—40,000		
Total, Extension Service.....	131,734,000	171,791,000	161,351,000	171,168,600	160,768,600	+29,034,600	—11,022,400	—582,400	—10,400,000
Farmer Cooperative Service: Salaries and expenses.....									
	1,648,000	1,689,000	1,649,000	1,684,000	1,684,000	+36,000	—5,000	+35,000	
Soil Conservation Service:									
Conservation operations.....	131,736,000	128,467,000	128,557,000	128,457,000	128,507,000	—3,229,000	+40,000	—50,000	+50,000
River basin surveys and investigations.....	8,839,000	9,043,000	9,043,000	9,043,000	9,043,000	+204,000			
Watershed planning.....	6,750,000	5,434,000	6,698,000	5,434,000	6,066,000	—684,000	+632,000	—632,000	+632,000
Watershed works of improvement.....	66,332,000	74,278,000	74,278,000	76,000,000	76,000,000	+9,668,000	+1,722,000	+1,722,000	
Flood prevention.....	24,738,000	21,037,000	21,037,000	21,037,000	21,037,000	—3,701,000			
Great Plains conservation program.....	15,417,000	15,355,000	15,355,000	16,355,000	15,855,000	+438,000	+500,000	+500,000	—500,000
Resource conservation and develop- ment.....	10,825,000	13,876,000	13,876,000	14,676,000	14,276,000	+3,451,000	+400,000	+400,000	—400,000
Total, Soil Conservation Service.....	264,637,000	267,490,000	268,844,000	271,002,000	270,784,000	+6,147,000	+3,294,000	+1,940,000	—218,000
Economic Research Service: Salaries and expenses.....									
	14,962,000	16,228,000	14,592,000	16,228,000	14,926,000	—36,000	—1,302,000	+334,000	—1,302,000
Statistical Reporting Service: Salaries and expenses.....									
	16,892,800	17,749,800	17,716,800	17,874,800	17,796,800	+904,000	+47,000	+80,000	—78,000
Consumer and Marketing Service:									
Consumer protective, marketing, and regulatory programs.....	137,957,500	149,247,000	149,247,000	159,247,000	149,247,000	+11,289,500			—10,000,000
Payments to States and possessions.....	1,600,000	1,600,000	1,600,000	1,750,000	1,675,000	+75,000	+75,000	+75,000	—75,000
Total, Consumer and Marketing Service.....	139,557,500	150,847,000	150,847,000	160,997,000	150,922,000	+11,364,500	+75,000	+75,000	—10,075,000
Food and Nutrition Service:									
Special milk program.....	284,000,000		104,000,000	104,000,000	104,000,000	+20,000,000	+104,000,000		
Child nutrition programs:									
Direct appropriation.....	122,500,000	301,974,000	90,395,000	301,974,000	301,974,000	+179,474,000		+211,579,000	
Transfer from sec. 32.....	(194,266,000)	(238,358,000)	(238,358,000)	(238,358,000)	(238,358,000)	(+44,092,000)			
Total, child nutrition programs.....	(316,766,000)	(540,332,000)	(328,753,000)	(540,332,000)	(540,332,000)	(+223,566,000)		(+211,579,000)	
Food stamp program.....	596,963,000	1,250,000,000	1,250,000,000	1,750,000,000	1,420,000,000	+823,037,000	+170,000,000	+170,000,000	—330,000,000
Total, Food and Nutrition Service.....	803,463,000	1,551,974,000	1,444,395,000	2,155,974,000	1,825,974,000	+1,022,511,000	+274,000,000	+381,579,000	—330,000,000
Foreign Agricultural Service:									
Salaries and expenses.....	23,562,000	24,773,000	24,023,000	24,773,000	24,273,000	+711,000	—500,000	+250,000	—500,000
Transfer from sec. 32.....	(3,117,000)	(3,117,000)	(3,117,000)	(3,117,000)	(3,117,000)				
Total, Foreign Agricultural Service.....	(26,679,000)	(27,890,000)	(27,140,000)	(27,890,000)	(27,390,000)	(+711,000)	(—500,000)	(+250,000)	(—500,000)
Commodity Exchange Authority: Salaries and expenses.....									
	2,491,000	2,552,000	2,552,000	2,552,000	2,552,000	+61,000			

Footnotes at end of table.

COMPARATIVE STATEMENT OF CONFEEE RECOMMENDATIONS AND NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1970,
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE HOUSE AND SENATE BILLS FOR 1971—Continued

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and title	New budget (obligational) authority enacted to date, fiscal 1970 ¹	Budget estimates of new (obligational) authority, fiscal year 1971	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	New budget (obligational) authority recommended by conferees	Increase (+) or decrease (—) Conferee recommendations compared with—			
						1970	1971 budget	1973 House bill	1971 Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TITLE 1—GENERAL ACTIVITIES—Con.									
Agricultural Stabilization and Conserva- tion Service:									
Expenses, ASCS:									
Direct appropriation	\$153,000,000	\$135,466,000	\$152,690,000	\$150,000,000	\$150,000,000	—\$3,000,000	+\$14,534,000	—\$2,690,000	
Transfer from CCC	(63,782,000)	(68,779,000)	(68,779,000)	(68,779,000)	(68,779,000)	(+4,997,000)			
Total, expenses, ASCS	(216,782,000)	(204,245,000)	(221,469,000)	(218,779,000)	(218,779,000)	(+1,997,000)	(+14,534,000)	(—2,690,000)	
Sugar Act program	93,000,000	83,600,000	83,600,000	83,600,000	83,600,000	—9,400,000			
Agricultural conservation program:									
Advance authorization (contract authorization)	195,500,000		195,500,000	190,000,000	195,500,000		+195,500,000		+\$5,500,000
Liquidation of contract authoriza- tion	(195,500,000)	(185,000,000)	(185,000,000)	(185,000,000)	(185,000,000)	(—10,500,000)			
Cropland adjustment program	77,200,000	77,800,000	77,800,000	77,800,000	77,800,000	+600,000			
Conservation reserve program	37,250,000					—37,250,000			
Emergency conservation measures	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000				
Indemnity payments to dairy farmers	200,000			500,000	250,000	+50,000	+250,000	+250,000	—250,000
Total, Agricultural Stabilization and Conservation Service	561,150,000	301,866,000	514,590,000	506,900,000	512,150,000	—49,000,000	—210,284,000	—2,440,000	+5,250,000
Rural Community Development Service:									
Salaries and expenses	450,000		230,000			—450,000		—230,000	
Office of the Inspector General: Salaries and expenses	15,069,000	15,846,000	15,378,000	\$ 12,412,000	\$ 12,412,000	—2,657,000	—3,434,000	—2,966,000	
Packers and Stockyards Administration:									
Salaries and expenses	3,508,650	3,748,000	3,508,650	3,748,000	3,588,650	+80,000	—159,350	+80,000	—159,350
Office of the General Counsel: Salaries and expenses	5,656,500	5,657,000	5,657,000	5,657,000	5,657,000	+500			
Office of Information: Salaries and ex- penses	2,297,000	2,256,000	2,256,000	2,256,000	2,256,000	—41,000			
National Agricultural Library:									
Salaries and expenses	3,446,750	3,914,750	3,614,750	3,914,750	3,764,750	+318,000	—150,000	+150,000	—150,000
Library facilities		800,000					—800,000		
Total, National Agricultural Library	3,446,750	4,714,750	3,614,750	3,914,750	3,764,750	+318,000	—950,000	+150,000	—150,000
Office of Management Services: Salaries and expenses	3,274,000	3,518,000	3,384,000	3,459,000	3,459,000	+185,000	—59,000	+75,000	
General administration: Salaries and ex- penses	5,263,000	6,041,000	5,559,000	6,058,000	6,058,000	+795,000	+17,000	+499,000	
Total, title I, general activities	2,308,982,150	2,866,476,500	2,954,986,150	3,701,300,100	3,342,754,550	+1,033,772,400	+476,278,050	+387,768,400	—358,545,550
TITLE II—CREDIT AGENCIES									
Rural Electrification Administration:									
Loan authorizations:									
Electrification	340,000,000	322,000,000	322,000,000	352,000,000	337,000,000	—3,000,000	+15,000,000	+15,000,000	—15,000,000
Telephone	123,300,000	123,800,000	123,800,000	138,800,000	128,800,000	+5,500,000	+5,000,000	+5,000,000	—10,000,000
Contingency reserve			20,000,000					—20,000,000	
Total, loans (authorization to spend debt receipts)	463,300,000	445,800,000	465,800,000	490,800,000	465,800,000	+2,500,000	+20,000,000		—25,000,000
Salaries and expenses	14,834,000	14,623,000	14,613,000	14,896,000	14,613,000	—221,000	—10,000		—283,000
Total, Rural Electrification Admin- istration	478,134,000	460,423,000	480,413,000	505,696,000	480,413,000	+2,279,000	+19,990,000		—25,283,000
Farmers Home Administration:									
Direct loan account:									
Real estate loans	(83,000,000)	(45,500,000)	(83,000,000)	(123,000,000)	(103,000,000)	(+20,000,000)	(+57,500,000)	(+20,000,000)	(—20,000,000)
Operating loans	(275,000,000)	(275,000,000)	(275,000,000)	(275,000,000)	(275,000,000)				
Soil conservation loans	(8,700,000)	(6,400,000)	(8,700,000)	(8,700,000)	(8,700,000)		(+2,300,000)		
Total, direct loan account	(366,700,000)	(326,900,000)	(366,700,000)	(406,700,000)	(386,700,000)	(+20,000,000)	(+59,800,000)	(+20,000,000)	(—20,000,000)
Rural housing:									
Insurance fund	(30,000,000)	(19,000,000)	(30,000,000)	(19,000,000)	(19,000,000)	(—11,000,000)		(—11,000,000)	
Direct appropriation		334,000	334,000	334,000	334,000	+334,000			
Emergency credit revolving fund	31,918,000					—31,918,000			
Rural water and waste disposal grants	46,000,000	24,000,000	100,000,000	100,000,000	100,000,000	+54,000,000	+76,000,000		
Rural housing for domestic farm labor	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000				
Mutual and self-help housing	2,125,000	1,250,000	2,125,000	775,000	775,000	—1,350,000	—475,000	—1,350,000	
Self-help housing land development fund	1,000,000	600,000	1,000,000	400,000	400,000	—600,000	—200,000	—600,000	
Salaries and expenses:									
Direct appropriation	71,450,000	85,091,000	81,150,000	87,250,000	86,000,000	+14,550,000	+909,000	+4,850,000	—1,250,000
Transfer from agricultural credit insurance fund	(2,250,000)	(2,250,000)	(3,250,000)	(2,250,000)	(2,250,000)			(—1,000,000)	
Miscellaneous transfer	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)				
Total, salaries and expenses	(74,200,000)	(87,841,000)	(84,900,000)	(90,000,000)	(88,750,000)	(+14,550,000)	(+909,000)	(+3,850,000)	(—1,250,000)
Total, Farmers Home Adminis- tration	154,993,000	113,775,000	187,109,000	191,259,000	190,009,000	+35,016,000	+76,234,000	+2,900,000	—1,250,000
Total, title II, credit agencies	633,127,000	574,198,000	667,522,000	696,955,000	670,422,000	+37,295,000	+96,224,000	+2,900,000	—26,533,000

Footnotes at end of table.

Agency and title	New budget (obligational) authority enacted to date, fiscal 1970 ¹	Budget estimates of new (obligational) authority, fiscal year 1971	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	New budget (obligational) authority recommended by conferees	Increase (+) or decrease (—) Conferee recommendations compared with—			
						1970	1971 budget	1973 House bill	1971 Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TITLE III—CORPORATIONS									
Federal Crop Insurance Corporation:									
Appropriation.....	\$12,000,000	\$12,000,000	\$12,000,000	\$12,000,000	\$12,000,000				
Premium income.....	(2,339,000)	(2,335,000)	(2,335,000)	(2,335,000)	(2,335,000)	(—\$4,000)			
Total, Administrative and operating expenses.....	(14,339,000)	(14,335,000)	(14,335,000)	(14,335,000)	(14,335,000)	(—4,000)			
Subscription to capital stock.....	10,000,000					—10,000,000			
Total, Federal Crop Insurance Corporation.....	22,000,000	12,000,000	12,000,000	12,000,000	12,000,000	—10,000,000			
Commodity Credit Corporation:									
Reimbursement for net realized losses:									
Appropriation.....	4,198,237,000	3,363,155,000	3,113,155,000	3,363,155,000	3,363,155,000	—835,082,000		+\$250,000,000	
Liquidation of contract authority.....	(1,017,697,000)					(—1,017,697,000)			
Total appropriation ⁶	(5,215,934,000)	(3,363,155,000)	(3,113,155,000)	(3,363,155,000)	(3,363,155,000)	(—1,852,779,000)		(+250,000,000)	
Limitation on administrative ex- penses.....	(32,000,000)	(36,500,000)	(36,500,000)	(36,500,000)	(36,500,000)	(+4,500,000)			
Public Law 480:									
Sales, title I.....	420,000,000	526,100,000	411,100,000	411,100,000	411,100,000	—8,900,000	—\$115,000,000		
Donations, title II.....	500,000,000	406,400,000	291,400,000	291,400,000	291,400,000	—208,600,000	—115,000,000		
Total, Public Law 480.....	920,000,000	932,500,000	702,500,000	702,500,000	702,500,000	—217,500,000	—230,000,000		
Bartered materials for supplemental stockpile.....	1,250,000	25,000	25,000	25,000	25,000	—1,225,000			
Total, new budget (obligational) authority, title III, Corporations.....	5,141,487,000	4,307,680,000	3,827,680,000	4,077,680,000	4,077,680,000	—1,063,807,000	—230,000,000	+250,000,000	
TITLE IV—RELATED AGENCIES									
Farm Credit Administration: Limitation on administrative expenses.....	(3,839,000)	(4,226,000)	(4,054,000)	(4,226,000)	(4,204,000)	(+365,000)	(—22,000)	(+150,000)	(—\$22,000)
RECAPITULATION									
Title I: General activities.....	2,308,982,150	2,866,476,500	2,954,986,150	3,701,300,100	3,342,754,550	+1,033,772,400	+476,278,050	+387,768,400	—358,545,550
Title II: Credit agencies.....	633,127,000	574,198,000	667,522,000	696,955,000	670,422,000	+37,295,000	+96,224,000	+2,900,000	—26,533,000
Title III: Corporations.....	5,141,487,000	4,307,680,000	3,827,680,000	4,077,680,000	4,077,680,000	—1,063,807,000	—230,000,000	+250,000,000	
Title IV: Related agencies.....	(3,839,000)	(4,226,100)	(4,054,000)	(4,226,000)	(4,204,000)	(+365,000)	(—22,500)	(+150,000)	(—22,000)
Total, New budget (obligational) authority ⁷	8,083,596,150	7,748,354,500	7,450,188,150	8,475,935,100	8,090,856,550	+7,260,400	+342,502,050	+640,668,400	—385,078,550
Consisting of—									
1. Appropriations.....	7,422,796,150	7,302,554,500	6,788,888,150	7,795,135,100	7,429,556,550	+6,760,400	+127,002,050	+640,668,400	—365,578,550
2. Reappropriations.....	2,000,000					—2,000,000			
3. Contract authorizations.....	195,500,000		195,500,000	190,000,000	195,500,000		+195,500,000		+5,500,000
4. Authorizations to spend from debt receipts.....	463,300,000	445,800,000	465,800,000	490,800,000	465,800,000	+2,500,000	+20,000,000		—25,000,000
Memoranda:									
1. Appropriations to liqui- date contract author- izations.....	1,213,197,000	185,000,000	185,000,000	185,000,000	185,000,000	—1,028,197,000			
2. Appropriations, includ- ing appropriations to liquidate contract au- thority.....	8,635,993,150	7,487,554,500	6,973,888,150	7,980,135,000	7,614,556,550	—1,021,436,600	+127,002,050	+640,668,400	—365,578,550
3. Transfers from sec. 32.....	212,383,000	256,475,000	256,475,000	256,475,000	256,475,000	+44,092,000			
4. Transfer from CCC.....	63,782,000	68,779,000	68,779,000	68,779,000	68,779,000	+4,997,000			
Total, new budget (obligational) au- thority.....	8,083,596,150	7,748,354,500	7,450,188,150	8,475,935,100	8,090,856,550	+7,260,400	+342,502,050	+640,668,400	—385,078,550
Less: Loan repayments, Rural Electrification: Ad- ministration ⁸	156,600,000	167,300,000	167,300,000	167,300,000	167,300,000	+10,700,000			
Net total, new budget (obligational) au- thority.....	7,926,996,150	7,581,054,500	7,282,888,150	8,308,635,100	7,923,556,550				

¹ Includes adjustments for transfers authorized in the indefinite portion of the 2d Supplemental Appropriation Act for financing increased pay costs under Public Law 91-231.

² An additional \$100,000,000 was provided in the 1970 Appropriation Act from sec. 32, permanent appropriation, which included \$20,000,000 for special milk.

³ An additional \$30,000,000 was provided by Public Law 91-207, approved Mar. 12, 1970, from sec. 32, permanent appropriation.

⁴ A budget amendment for an additional \$216,579,000 was submitted directly to the Senate.

⁵ In addition, \$3,434,000 is available by transfer from food stamp appropriation.

⁶ In addition, there is permanent indefinite contract authority (budget authority established

under basic law) of \$440,756,000 in the 1971 budget and Senate bill, and \$690,756,000 in the House bill. For fiscal year 1970 none is required.

⁷ Note—Does not include interest receipts under the Rural Electrification Administration estimated at \$116,100,000 in 1970 and \$119,300,000 in 1971 that are covered into miscellaneous receipts of the Treasury.

⁸ Deducting REA loan repayments from these totals has the effect of converting these figures to a basis comparable with the treatment of all other major loan programs in the Federal budget. Other loan programs operated through revolving funds net loan repayments against budget outlays, whereas REA loan repayments are covered into miscellaneous receipts of the Treasury.

Mr. LANGEN. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Minnesota.

(Mr. LANGEN asked and was given permission to revise and extend his remarks.)

Mr. LANGEN. Mr. Speaker, I thank the chairman, Mr. WHITTEN, for yielding.

As usual, the chairman has done an excellent job in presenting an explanation to the House of what occurred in the

conference relative to the agriculture appropriation bill.

I think there are several things with regard to the report that are significant.

In the first place, as the chairman said, we have provided for expenditures of funds for so many of the very essen-

tial programs, such as the school lunch program, the food stamp program, operating the respective farm programs, and so forth.

Yet, the final conference report is actually only \$7,262,000 over and above the figure of last year. When we look at the totals, however, there is an indication that it is \$342.5 million over and above this year's budget estimates, it should be remembered: That \$250 million of this is for reimbursement to the Commodity Credit Corporation which does not represent an expenditure.

It does not represent an expenditure so that the actual expenditure increase is limited to \$92.5 million, which I think speaks well for agriculture, and is in compliance with the statements that I put in the RECORD during the consideration of the original agricultural appropriation bill, and its relationship to the national expenditures on all scenes.

So on that basis I can very heartily recommend to the House the approval of this conference report.

(Mr. LANGEN asked and was given permission to revise and extend his remarks.)

Mr. FINDLEY. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. FINDLEY. As the gentleman knows, the Congress earlier this year saw fit to establish a limitation at \$55,000 per commodity per farmer for feed grains, wheat, and cotton. This was presented as a measure that would have a number of benefits, including the benefit of reducing the programs' cost.

Can the gentleman indicate how much will be saved in the current fiscal year as a result of the limitation having been accepted?

Mr. WHITTEN. I know of the active interest that my colleague, the gentleman from Illinois, has in this subject. However, our conferees did not go into it with that in mind. As the gentleman will remember, this is fixed by the existing law, and we have to pick up the cost after the fact. So while we have restored the capital impairment of the Commodity Credit Corporation we have had no occasion to make a thorough study to see what the effect of the \$55,000 limitation, which is in the conference report, will have on the overall cost.

I know the gentleman has very definite ideas about its effect, and what it will save, but I will have to say candidly that in carrying out our responsibilities it did not call for such a study.

Mr. FINDLEY. Could the gentleman say whether the impairment of the capital of the Commodity Credit Corporation during previous years was fully restored as a result of this?

Mr. WHITTEN. It was fully restored, and it was thought that was a good thing. The Senate did this, I might say to the House. The amount involved was \$250 million, but that does not come out of the Treasury; it is a bookkeeping item, it just shows the corporation has that much more borrowing authority, but it was thought and it was agreed that with a new farm bill it might be a good thing to start out with a solidly financed Commodity Credit Corporation.

Mr. FINDLEY. I thank the gentleman for yielding.

Mr. SCHERLE. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Iowa.

Mr. SCHERLE. Mr. Speaker, I would like to take this opportunity to offer my gratitude to the distinguished gentleman from Mississippi (Mr. WHITTEN) and the distinguished gentleman from Minnesota (Mr. LANGEN) for their foresight in putting the money, \$195 million, back in the bill for the agriculture conservation program.

We are in the process now, nationwide, of deliberating conservation and pollution, and I believe this program will serve a good purpose, both for the urban and rural areas across the country.

Mr. WHITTEN. I thank my colleague for his gracious statement.

Mr. SCHERLE. Mr. Speaker, I thank the gentleman for yielding.

Mr. WHITTEN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

AMENDMENT IN DISAGREEMENT

The SPEAKER. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 3: On page 3, line 21, strike out "\$1,500,000" and insert "\$3,760,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 3 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "\$4,580,000".

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and the motion was laid on the table.

CORRECTION OF THE RECORD

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to correct a printing error on page H11294 where reference is made to the action of the conferees on the amendment numbered 15. The item relates to the incorrect reference to the amendment number in the middle of that paragraph. I ask unanimous consent that this correction be made.

The SPEAKER. Without objection it is so ordered.

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the conference report just adopted and to include certain tables with reference thereto and also that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO SEND TO CONFERENCE THE BILL (H.R. 17755) MAKING APPROPRIATIONS FOR DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 17755), an act making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1971, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

CALL OF THE HOUSE

Mr. PELLY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 388]

Abbitt	Gilbert	Podell
Alexander	Gray	Pollock
Ashbrook	Grover	Powell
Aspinall	Gubser	Preyer, N.C.
Baring	Halpern	Purcell
Bolling	Hanna	Rees
Brock	Hansen, Idaho	Reifel
Burton, Utah	Harsha	Rivers
Button	Harvey	Roberts
Carey	Horton	Rooney, N.Y.
Clark	Jarman	Roudebush
Clay	Karth	Scheuer
Collier	Kee	Stephens
Collins, Tex.	King	Stokes
Cramer	McEwen	Tieman
Daddario	McKneally	Waggonner
Dent	Meskill	Waldie
Diggs	Morton	Welcker
Dowdy	Moss	Wiggins
Edwards, Ala.	Murphy, Ill.	Wilson, Bob
Edwards, La.	Nelsen	Wold
Fallon	O'Hara	Wright
Gallagher	O'Konski	Wydler
Gettys	Ottinger	

The SPEAKER. On this rollcall 362 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION TO SEND TO CONFERENCE THE BILL (H.R. 17755) MAKING APPROPRIATIONS FOR DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PREFERENTIAL MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. YATES moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill H.R. 17755 be instructed to agree to Senate amendment No. 4.

CRD serves as the coordinator for Army participation in this program.

(f) **Speaker Requests.** Over 800 requests for Army speakers were processed from civic clubs, church groups, veteran organizations, professional clubs, etc., on a variety of subjects.

(g) **Bands.** Army bands and musical units are in great demand as evidenced by the approximately 675 processed requests received by this office during the first nine months of FY 1970. Typical of these actions was a request from the Chairman of the Philadelphia Pulaski Day Parade through a Congressional office for Army participation in the October 5th Pulaski Day Parade in Philadelphia. The 173rd US Army Band from Fort Dix, New Jersey, fulfilled that request. In addition CRD coordinated and scheduled the United States Army Field Band and Chorus for 250 performances before an estimated 600,000 persons during FY 1970.

(h) **US Army Parachute Team.** During the first nine months of FY 1970, 109 parachute demonstrations were coordinated and arranged for the Golden Knights parachute team. Demonstrations were performed at Bradenton, Florida at the request of Florida State authorities in connection with "De Soto Week" (approximately 3500 spectators viewed the demonstration) and Charleston, South Carolina, at the request of the Charleston Tricentennial Commission and the South Carolina State Tricentennial Commission (approximately 30,000 spectators, including the Mayor of Charleston, viewed the demonstration).

(i) **Army participation in Public Events.** CRD responded to approximately 1000 requests for participation by Army personnel and equipment in civic-sponsored public events. Such a request was received in October 1969, for the participation of an Army color guard and firing squad for a Laconia, New Hampshire, Veterans' Day flagpole dedication ceremony. Arrangements were made to provide the requested support from Company B, 368th Engineer Battalion, of the United States Army Reserve stationed in Laconia.

(j) **Veterans' Recognition.** The American people have a continuing interest in the welfare and morale of American servicemen and initiate many projects to show their concern as evidenced by 150 requests received by CRD. One such project was initiated by a citizens' group in Gallup, New Mexico to honor a returning serviceman, a representative of all servicemen from the area, during the Christmas season. CRD assisted in locating a serviceman from the Gallup area who met the requirements of the project and coordinated this information through the interested Congressional office.

(k) **US Army Exhibit Unit.** At the request of civilian organizations and military recruiting offices, 11 exhibits were shown in 228 cities before a total audience of 12 million persons. Eighty percent of the exhibits were in support of the Army recruiting program. (See schedule at Incl 2).

(l) In addition to the above, CRD serves as point of contact between the Army elements and the Office of the Assistant Secretary of Defense (Public Affairs) in matters relating to Army participation in activities such as those described above. CRD also monitors Army Regulations dealing with community relations.

(m) As the Army point of contact, CRD forwards input provided by the Army staff and the major commands to the Defense Industry Bulletin which is published by the Defense Supply Agency, a Department of Defense agency.

(2) **Command Information Division.** Activities of the Command Information Division deal solely with internal information and are discussed in paragraph 2, below.

(3) **Policy, Plans and Programs Division.** Policy, Plans and Programs Division's activities complemented those of community rela-

tions, public information, and command information. As the major planning and policy office for OCINFO, activities of the division involved developing, coordinating, and administering plans and policies with other OCINFO divisions, and agencies of the Departments of the Army and Defense. Actions actually dealing with the external information program are normally accomplished by the Community Relations Division and the Public Information Division as described in paragraphs 1e(1), above and 1e(4), below.

(4) **Public Information Division.** The following are examples of Public Information Division activities during FY 1970:

(a) **Public Information Division** responded to approximately 13,450 media queries during the period 1 July 1969 through 15 April 1970. Additionally, some 14,000 other queries were answered from private citizens and organizations, including coordination of responses to Members of the Congress. These queries ranged from very simple matters about the Army, providing biographies, fact sheets regarding equipment, etc., to complex questions requiring extensive research and staff coordination involving such matters as the alleged My Lai incident, the Green Berets incident, and the NCO Clubs investigation. Among the public inquiries, many were requests from high school and college students seeking material and assistance in preparation of term papers, theses and other reference material. Under the Freedom of Information Act, the Army has a mandate to be responsive in making full disclosure with minimum delay, consistent with national security, to requests for information from the media and the public.

During this period, coordination was effected on 48 Medal of Honor presentations, etc., for press kits, and for response to the media.

(b) Approximately 147 public releases were cleared for issue by subordinate commands. See sample at Inclosure 3. Some 150 other releases were prepared and forwarded to the Department of Defense for national release. See sample at Inclosure 4. National announcements of approximately 660 contract awards involving amounts of more than one million dollars were made through the Department of Defense. Arrangements were made for approximately 185 interviews by media representatives with members of the Department of the Army staff, as well as tours to subordinate installations by press representatives.

Fifty newspapers from all parts of the United States are screened on a daily basis for analysis of information of special Army interest.

f. No motion pictures are produced for the external public. Motion pictures produced in support of the internal information program that are available to the public, upon request, are discussed in paragraph 2g, below.

g. "The Army Hour" is a twenty-five minute radio program of soldier interviews and music. Last year, 52 programs were released to approximately 1,232 commercial and educational radio stations in the United States and 285 American Forces radio stations overseas. "Worldwide" is a five-minute radio program of soldier interviews. Last year, 104 programs were released to approximately 1,058 commercial and educational radio stations in the United States and 285 American Forces radio stations overseas. During FY 1970, through 31 March, the Army Hometown News Center released 378,592 audiotapes, 1,353 television film clips, and 1,658,000 printed releases. This material, consisting of news of local soldiers for use by their hometown media, was furnished to 2,474 radio stations and 546 television stations.

h. Copies of major commands' monthly reports for non-local travel for external information purposes, as required by paragraphs 27 and 28, AR 360-5, for the FY 1970 are at

Inclosure 5. As examples, one staff officer was sent to Fort Bragg, North Carolina and to Korea on Operation Focus Retina. One staff officer went to Miami, Florida, and Fort Bragg, North Carolina, on the IX Conference of American Armies. Two staff officers traveled to Fort Benning, Georgia, and Fort Hood, Texas, for liaison visits in connection with press arrangements for the My Lai incident courts-martial.

i. No "Speechmaker" publications were produced in FY 1970.

j. The quarterly Command Information reports which relate solely to the internal information program are provided at Inclosure 6.

k. During FY 1970, about 350 senior speakers (Lieutenant General and higher and Assistant Service Secretary and higher) were provided in response to requests from civic, service, veterans, and professional organizations.

2. With reference to the internal information program of the Army:

a. The FY 1970 cost for operation of the internal information program, including military personnel costs, is estimated at \$13,300,000. Costs estimated for FY 1971 are at the same level as for FY 1970.

b. Because of the many duties performed in addition to internal information, personnel accounting is in man-years of effort. It is estimated that 1,141 military and 246 civilian man-years were used in FY 1970, on internal information activities.

c. The purpose of the Army Pictorial Center, located in Long Island City, New York, is to provide pictorial and audiovisual services for the Department of Defense, Department of the Army, Army Materiel Command, Continental Army Command, government agencies, and other authorized activities; and to maintain and operate the Army Motion Picture Depository and Army Motion Picture Record Center. The operating cost for FY 1970, is estimated at \$10 million. There are 750 persons assigned to the center, and the workload is 250 motion picture projects. Only a small portion of its activity is directly in support of the Army internal information program. Specifically, \$727,000 was budgeted for production of twenty-five Big Picture films in FY 1970. (Latest figures available indicate these films had 118,779 showings to internal audiences and 44,762 showings to external audiences). For reasons of economy, the Army Pictorial Center is scheduled to be closed on 30 June 1970, and the responsibility for the various audiovisual activities will be assigned to other facilities of the Army Materiel Command.

d. Army Regulation 360-81 (Inclosure 7) describes the operation of all offices, including the Army Reserve and the Army National Guard, which have a share of the responsibility for conduct of the internal information program. Costs are included in paragraph 2a, above.

e. Catalogs and listings of materials used in the internal information program are at Inclosure 8.

f. A copy of each of the internal information materials published during FY 1970, are at Inclosure 9, 10, 11, and 12.

g. The detailed data requested is shown in Inclosure 13.

h. Periodicals published for use in the internal information program during FY 1970 and the costs for each are:

Army Reserve	\$250,000
Commanders Call Support Ma-	
terial	47,600
Army Digest	426,000
Army news/photo features	48,000

i. As of 30 May 1970, there were 140 authorized Army newspapers and 22 magazines being published throughout the Army. The estimated total cost is \$1,412,537, of which \$385,964 was from appropriated funds and \$1,026,573 from non-appropriated funds. At-

attached at Inclosure 14 are three sample newspapers and two magazines.

J. Information concerning the training schools for information personnel is contained in DA Circular Number 350-74 (Incl 15), DA Circular Number 350-76 (Incl 16) and Defense Information School Brochure (Incl 17), attached. Thirteen officers and thirteen civilians attended the Advanced Public Relations Course, University of Wisconsin, during FY 1970. Six officers participated in the OCINFO Senior Officer Civil Schooling Program at the University of North Carolina, the University of Wisconsin, the University of Colorado, and the Ohio State University during FY 1970. Army personnel consisting of 138 officers, 439 enlisted men and 21 civilians attended courses of instruction at the Defense Information School during FY 1970.

Sincerely,

WINANT SIBLE,

Brigadier General GS, Chief of Public Information.

Mr. FULBRIGHT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, with respect to the comments on Guard and Reserve forces included in the committee report on the defense appropriation bill for 1971, I agree wholeheartedly with the requirement for belt tightening in both the National Guard and Reserves of all the services. Such belt tightening through improved management is being forced upon the services through rising personnel costs, the prices of fuel and other expendable supplies, and the like.

Before we punch another hole in the belt, however, we should recognize that the Guard and Reserves have been living under austere budgets since the political decision in 1965 that they would not be mobilized to duty in Southeast Asia. For example, Army Reserve construction has been stopped for 6 of the 7 years from 1964 to 1970. Normal equipment retirement and withdrawals of equipment for use in combat from the Army Guard and Army Reserve exceeded equipment issues from 1964 to 1969.

Thus, for many years, Guard and Reserve manning, equipping, and training have been given low funding priority.

Now, as the Committee on Appropriations has pointed out, national policy has placed on the Department of Defense a requirement for development of genuine combat capability in the National Guard and Reserve. Secretary Laird has expressed publicly and officially his policy that Guard and Reserve units must be prepared to be the primary and initial source of augmentation for the active services and that the services must provide support to effect this preparedness. The services have developed their Guard and Reserve budgets to meet the minimum requirements of this policy, the ob-

jective of which is the development of mobilization equipping, manning, and training levels to meet JCS stated requirements for force deployability.

The reductions which have been made in Guard and Reserve appropriations do not appear to be consistent with this objective. The House of Representatives has told the Air Force to retain units previously programed for inactivation and has provided the necessary funds to support this retention. If the committee report is approved, we in the Senate will signify our willingness to have these units retained without the necessary support funds, thereby forcing degradation of support and a consequent lessening of readiness for deployment.

There is another point which we should consider before we determine that there is oversupport for the Air National Guard and the Air Force Reserve. The technician manning and flying hour program represented by the operations and maintenance funds are key elements which have made these components ready—so ready that when units of the Air Guard and Air Reserve were mobilized in 1968, they were ready for deployment within 72 hours and were able to fly combat missions within a few days after their arrival in Vietnam.

At a time when the Secretary of Defense and the military services are trying to carry out the repeatedly expressed intent of Congress that the Guard and Reserve be made ready so that they can be used upon mobilization and would, therefore, be more likely to be mobilized should the need arise—at a time when we are encouraging the improvement of readiness in all the Guard and Reserve components, it would be inconsistent for us to jeopardize proven readiness in the two components where the greatest improvement has been made.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MURPHY). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HOLLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1971—CONFERENCE REPORT

Mr. HOLLAND. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 17923) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes.

I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr.

MURPHY). Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

(For conference report, see House proceedings of December 7, 1970, pp. H11294-H11295, CONGRESSIONAL RECORD.)

Mr. HOLLAND. Mr. President, may I ask that the secretaries on both sides of the aisle notify Senators who may be concerned with this matter that the Senate will take up this conference report immediately. I have heretofore endeavored to notify all the Senators that I thought were interested one way or the other in this report. I hope that they may be present on the floor momentarily.

Mr. President, I shall not report on all the details of the conference agreement, since the full text of the conference report and the statement of the managers on the part of the House have been printed as House Report No. 91-1680, and appears in the CONGRESSIONAL RECORD of December 7, yesterday, beginning on page H11294.

Mr. President, the Senate passed the agricultural appropriation bill on July 9. The bill as passed by the Senate contained 62 different numbered amendments, comprised of 106 individual differences. The House appointed its conferees on November 20, and the conference committee met on December 2, and again on December 3, when it reached final agreement.

Mr. President, I should say in justice to the House that the conferees of the House were not appointed until that late date because of the pendency of the farm bill which had not become law until about the time of the appointment of the House conferees.

Mr. President, in recognizing the need to economize in Federal expenditures, plus the fact that almost one-half of the current year will have elapsed by the time the President approves the appropriation bill, many of the items in conference were reduced below the amounts proposed by the Senate.

The conference agreement on the appropriation bill totals \$8,090,856,550. This is \$7,260,400 over the 1970 appropriations, \$342,502,050 over the 1971 budget estimates, and \$385,078,550 under the bill as passed by the Senate on July 9.

FOOD STAMP PROGRAM

Mr. President, the principal decrease under the Senate version of the bill pertains to the funding for the food stamp program.

The budget estimate and the House bill provided \$1.250 million and the Senate provided \$1.750 million. The conferees agreed to \$1.420 million. This is \$330 million under the Senate bill, but is \$170 million over the estimate and an increase of \$823,037,000 over the obligations for fiscal 1970.

The entire appropriation of \$1.420 million is available only within the limits of amounts authorized by law for fiscal 1971.

Prior to the meeting of the conference committee, I requested the Department of Agriculture to summarize the efforts made by the Congress so far for the current fiscal year to carry forward the food stamp program in the absence of new authorization. Through next January 31, a total of \$770,000 has been made available for this program as follows: First, in Public Law 91-294, the continuing resolution, approved June 29, 1970, section 101(a)(1) provides for the continuation of programs and activities. Therefore, under that resolution, the remaining \$170 million of authorization from Public Law 91-552, approved October 8, 1968, which authorized extension of the Food Stamp Act of 1964, provided "not in excess of \$170 million for the 6 months ending December 31, 1970" was provided.

Second, when the second supplemental appropriation bill for 1970 (Public Law 91-305) was under consideration by the Senate, an appropriation of \$300 million was approved with the amount to be charged against the amount to be appropriated for the food stamp program when H.R. 17923 was enacted. This was due to the foresight of the distinguished chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana. This \$300 million was to be available through October 31, 1970. Finally, on October 15, 1970, when Public Law 91-454, an extension of continuing appropriations, was approved, an additional \$300 million was appropriated by changing the original \$300 million just cited and contained in the Second Supplemental Appropriation Act, to \$600 million to be available through January 31, 1971.

These supplemental appropriations and the continuing resolution thus provide a total of \$770 million, to be available through January 31, 1971, and all of which are chargeable against the limits to be established by the Congress in the authorization act for the food stamp program for fiscal 1971, not yet passed.

Mr. President, I believe that the amount agreed to; namely, \$1,420 million, is adequate to carry out the food stamp program for the current fiscal year, but in the event that the final authorization for the food stamp program, plus the needs of the program prior to next July 1, show an expressed need for additional funds, I am confident that the next Congress will provide such amounts as may be proposed in a supplemental budget.

Mr. President, I ask unanimous consent that the letter I received from Assistant Secretary Lyng, dated November 30, dealing with the \$770 million to which I have just referred, be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., November 30, 1970.
HON. SPESSARD L. HOLLAND,
Chairman, Subcommittee on Department of
Agriculture and Related Agencies, Com-
mittee on Appropriations, U.S. Senate.
DEAR SENATOR HOLLAND: This responds to
your informal request for information on
available funds for the Food Stamp Program
in the fiscal year 1971.

Funds totaling \$770 million have been made available for this program through January 31, 1971, as follows:

1. Under P.L. 91-294, approved June 29, 1970, \$170 million became available and has been used. Section 101(a)(1) provides for continuing programs in accordance with the terms of the then pending Department of Agriculture Appropriation Act. The amount was limited to \$170 million by virtue of the authorization in P.L. 90-552, approved October 8, 1968, which amended the Food Stamp Act of 1964 to authorize "not in excess of \$170 million for the six months ending December 31, 1970." The 1971 Agriculture Appropriation Bill (H.R. 17923) includes a proviso under the Food Stamp Program which reads "Provided, That this appropriation shall be available only within the limits of amounts authorized by law for fiscal year 1971."

2. Under P.L. 91-305, approved July 6, 1970 (the Second Supplemental Appropriation Act of 1970) a separate appropriation of \$300 million was approved by the Congress "to be charged to the amount appropriated under this head in H.R. 17923, when enacted." This \$300 million was to be available through October 31, 1970.

3. Under P.L. 91-454, approved October 15, 1970, an additional \$300 million was appropriated (by changing the original \$300 million above in the Second Supplemental Appropriation Act to \$600 million) to be available through January 31, 1971.

In view of these actions by the Congress there is presently available \$770 million for the Food Stamp Program to be available through January 31, 1971.

Sincerely,

RICHARD LYNG,
Assistant Secretary.

ASCS—PRICE SUPPORT LIMITATION

Mr. HOLLAND. Mr. President, another item in the Senate version of the bill dealt with a \$20,000 price support limitation for fiscal year 1971. This was amendment numbered 38, and was offered by former Senator Smith from Illinois on July 8, when the Senate was debating the agricultural appropriation bill. At that time, the amendment was adopted by a vote of 40 yeas to 35 nays, with 25 Members not voting.

Subsequently, when the Senate was considering the general farm legislation bill, which provided for a 3-year extension of farm legislation beginning with crop year 1971, former Senator Smith of Illinois again offered an amendment which would have provided a limitation of \$20,000 per farm for crop years 1971, 1972, and 1973. This amendment was rejected by the Senate by a vote of 44 nays to 21 yeas, or better than 2 to 1. As Senators will recall, the farm bill, in its conference form, does provide

in the new basic law for a limitation of \$55,000 per producer for each of the major crops. The President signed the farm bill (Public Law 91-524) on December 1.

In view of the subsequent action of the Senate and the enactment of basic farm legislation carrying a \$55,000 limitation, the Senate conferees receded from amendment numbered 38.

In view of the adoption of the \$55,000 limitation in basic law, it is my hope that there will be no further effort on the part of Members of either body to impose in appropriation bills restrictive limitations in the 3 years covered by the farm bill.

AGRICULTURAL CONSERVATION PROGRAM

Mr. President, another item of general interest to the Congress is the advance authorization for the agricultural conservation program for 1971. The conference agreement is for \$195,500,000, as proposed by the House, instead of \$190,000,000 as proposed in the Senate bill.

I regret that the administration has not announced the 1971 program. A year ago, when there was a long delay in the conference which was concluded on November 19, 1969, the Secretary of Agriculture announced the 1970 program under the terms of the continuing resolution, similar to the one which has been in effect since July 1, 1970.

This program of cost-sharing has been very beneficial to the protection and development of our natural land resources. On the average, \$2 is spent for each dollar appropriated, since practices paid for are matched dollar for dollar by the producer.

During the hearings, the officials of the Department of Agriculture, on being questioned by the committee, presented a strong basis for continuation of the program, even though the President's budget had proposed elimination of an advance program. More than 85 percent of the practices are of an enduring nature and a large share of the conservation work installed under the program deals with soil and water pollution.

RURAL ELECTRIFICATION ADMINISTRATION

Mr. President, the loan authorization approved by the conference committee for the rural electrification program is \$337 million, instead of \$352 million as proposed by the Senate. The conference amount represents an increase of \$15 million over the budget, and will provide a loan level for the current fiscal year of \$360 million instead of \$345 million, as proposed in the budget and carried in the House bill.

The amount approved by the conferees for the telephone program is \$128,800,000, instead of \$138,800,000 as proposed by the Senate. The conference agreement does provide an increase of \$5 million over the budget estimate and a loan level, including carryover funds, of \$130 million for fiscal 1971.

SUPPLEMENTAL FINANCING PROGRAM

Mr. President, both committee reports recommended to the REA Administrator, in differing versions, the additional deferment of principal payments to encourage subscription of capital for the electrification borrowers to the National Rural Utilities Cooperative Financing Corporation, now known as the CFC.

In essence, the House committee report proposed deferments on existing loans and the Senate committee report recommended an additional 3-year deferment on new loans, with the understanding that such deferments would be contributed to the CFC, a self-help financing venture created to supplement the regular REA lending program.

On July 27, the REA Administrator, Mr. David A. Hamil, transmitted to me, as chairman of the subcommittee, a letter of the same date to the Comptroller General of the United States, signed by the Under Secretary of Agriculture, posing a number of questions dealing with interpretation of the recommendations carried in the House and Senate committee reports on this subject. On September 28, the Comptroller General replied to the Secretary of Agriculture and transmitted a copy of his reply to me, as chairman of the subcommittee. In his transmittal letter, the Comptroller General, Mr. Elmer B. Staats, stated:

We urge that every effort be made to resolve this matter and that the final agreement be clearly set forth in the legislative history of the appropriation act.

In response to the request from the Comptroller General and the request by the REA Administrator, this matter was dealt with by the conference committee. On pages 10 and 11 of the conference report there appears a statement setting forth the agreement of the conferees on the part of both the House and the Senate confirming that the REA Administrator has authority under sections 4 and 12 of the Rural Electrification Administration Act, as amended, to follow both the House and Senate committee recommendations, and further that the Administrator should do this when he finds that the financial condition of a borrower is sound and where the Government's interest would be adequately safeguarded. As stated in the conference report, in exercising this authority, which is voluntary, the Administrator is authorized to make additional deferments of at least 3 years on outstanding loans in addition to any previous deferment, and the deferment of principal on new loans made after the date of this report for 3 years, in addition to the deferment period normally granted on new loans under preexisting practices. These deferments may be made to meet local needs or where the desire by the REA cooperative borrower is to voluntarily invest amounts deferred in securities of the CFC.

Mr. President, I ask that the text of the conference report, regarding this item, be printed in the RECORD at this point, together with the letters of September 28, from the Comptroller General, the letter of August 12 from the Administrator of the REA, the letter of August 5, from the chairman of the subcommittee to the REA Administrator, and a letter of July 27, to the chairman of the subcommittee from the REA Administrator which transmitted a copy of the letter from the Under Secretary of Agriculture to Mr. Staats, the Comptroller General of the United States, raising questions to be interpreted as a result of the House and Senate committee report recommendations.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TITLE II—CREDIT AGENCIES

RURAL ELECTRIFICATION ADMINISTRATION

Amendment No. 49: Provides loan authorization of \$337 million for electrification loans instead of \$322 million as proposed by the House and \$352 million as proposed by the Senate.

The Conferees have considered the differences in the language contained in the House and Senate Committee reports recommending that the REA Administrator defer repayments of principal on certain rural electrification loans. After careful consideration of the Comptroller General's letter, dated September 28, 1970, addressed to the Secretary of Agriculture, the Conferees are in agreement that there is authority in Sections 4 and 12 of the Rural Electrification Act to follow both the House and Senate Committee recommendations, and that the Administrator, where he finds the financial condition of a borrower is sound and where the Government's interest is adequately safeguarded, may, in exercising such authority, proceed as follows: (a) by deferment of repayments of principal on outstanding loans for a period of three years in addition to any previous periods of deferment; and (b) by deferment of repayment of principal on new loans made after the date of this report for a period of three years in addition to the deferment period normally granted on new loans under preexisting practice. Such deferments may be made to meet local needs or where desired by REA electrification borrowers to voluntarily invest amounts equivalent to the amounts of principal to be so deferred in securities of the National Rural Utilities Cooperative Finance Corporation. It is expected by the Conferees that the REA Administrator will report to the House and Senate Committees actions taken by the REA Administrator pursuant hereto when he appears before the Committees to be heard on appropriations for REA for fiscal year 1972.

Amendment No. 50: Provides loan authorization of \$128.8 million for rural telephone loans instead of \$123.8 million as proposed by the House and \$138.8 million as proposed by the Senate.

Amendment No. 51: Deletes House language providing for a contingency reserve of \$20 million.

Amendment No. 52: Appropriates \$14,613,000 for salaries and expenses as proposed by

the House instead of \$14,896,000 as proposed by the Senate.

COMPTROLLER GENERAL

OF THE UNITED STATES,

Washington, D.C., September 28, 1970.

HON. SPESSARD L. HOLLAND,
Chairman, Department of Agriculture and
Related Agencies Subcommittee, Com-
mittee on Appropriations, U.S. Senate.

DEAR MR. CHAIRMAN: By letter dated August 3, 1970, you asked to be furnished a copy of our reply to the Department of Agriculture's letter of July 25, 1970, which concerns recommendations contained in the House and Senate Committees on Appropriations Reports on the Department of Agriculture and Related Agencies Appropriation Act, 1971, H.R. 17923, 91st Congress.

The House Committee recommended that the Rural Electrification Administration defer payments by REA electric borrowers on outstanding loans and the Senate Committee recommended such deferments on new REA loans. Both recommendations were made to enable borrowers to make investments in the National Rural Utilities Cooperative Finance Corporation (CFC), with the expectation that such investments will generate private capital for future electrification loans.

In the enclosed decision of today's date we have advised the Secretary of Agriculture that there is considerable doubt as to whether REA has authority to follow the recommendation of either the Senate or House Committee on Appropriations, but that the Conference Committee on H.R. 17923 concludes and the House and Senate agree that there is authority to carry out either the House or Senate Committee's recommendation, or both, we would not object to REA following the recommendation that is contained in the Conference report.

We urge that every effort be made to resolve this matter and that the final agreement be clearly set forth in the legislative history of the appropriation act.

Sincerely yours,

ELMER B. STAATS,

Comptroller General of the United States.

COMPTROLLER GENERAL OF THE

UNITED STATES,

Washington, D.C., September 28, 1970.

The Honorable SECRETARY OF AGRICULTURE.

DEAR MR. SECRETARY: By letter dated July 25, 1970, the Under Secretary wrote concerning committee recommendations in connection with the Department of Agriculture and Related Agencies Appropriation Act, 1971, H.R. 17923, 91st Congress, as passed by the Senate. Specifically the House Committee on Appropriations has recommended that the Administrator of the Rural Electrification Administration defer payments by REA electric borrowers on outstanding loans for up to three years and the Senate Committee on Appropriations has recommended that the Administrator grant up to a three-year deferment on principal installments on new REA loans. In both cases the deferment was recommended to enable borrowers to make investments in the National Rural Utilities Cooperative Finance Corporation (CFC) a private financing institution organized to help meet the accelerating capital requirements of REA financed electric systems which cannot be met by REA.

The House Committee on Appropriations recommendations are as follows:

"To meet this massive requirement, [increasing need for electric power] Congress must continue to play its role. The REA borrowers themselves are likewise seeking other means within their own organization to meet their obligation to their consumers. They are forming the National Rural Utilities Finance Corporation to commence operations this year. Whether this system works will have to await the action of the money markets.

"Because of this, the Committee suggests that where the financial condition of a borrower is sound and where the Government's interest is adequately safeguarded, the Administrator considers deferring repayments on outstanding loans for up to three years. Such action where necessary would enable the cooperatives to more fully subscribe the stock of this new lending institution." H. Rept. No. 91-1161, 42.

The Senate Committee on Appropriations recommendations follow:

"The Committee commends the rural electric systems in their attempt to establish a financing organization to help alleviate the large financial needs of the rural electric systems for new capital financing from the Federal Government. The National Rural Utilities Cooperative Finance Corporation (CFC) was incorporated in the District of Columbia on April 10, 1969. The Committee understands that CFC now has 785 members in 44 states.

"The Committee expects the REA Administrator to assume an active role in cooperation with CFC in the accumulation of initial subscription of capital from CFC members for initial operations.

"In addition to the subscription of capital from existing sources, and to meet the objectives set forth in the House Committee Report, a continuous flow of capital funds is essential to the orderly development of the CFC.

"The Committee is of the opinion that the recommendation in the House Committee Report to defer principal repayments on outstanding loan contracts is not a feasible method of providing for an orderly flow of capital subscriptions to the CFC. The Committee recommends that beginning on July 1, 1970, that the REA Administrator grant up to a three-year deferment on principal installments on new REA loans—with the understanding that such deferred installments on principal will be invested by borrowers in the CFC.

"Such regular investments in CFC when continued for several years and coupled with the open market sale of debentures, should then enable the REA Administrator and the CFC to make an orderly transition from complete reliance upon government financing to a greater reliance upon the sale of CFC debentures, except for the financing of systems where the input of 2 percent government loans may be essential to the maintenance of adequate electrical service at reasonable rates in low density population areas." S. Rept. No. 91-987, 38, 39.

With regard to the House recommendation, inasmuch as it would apply to loans in being, it is apparent that the House Committee envisions the use of the authority of section 12 of the Rural Electrification Act of 1936, approved May 20, 1936, ch. 432, 49 Stat. 1366, 7 U.S.C. 912, for the purpose of carrying out its recommendation. Section 12 author-

izes the Administrator to extend the time of payment of interest or principal on loans made under section 4 for plant and transmission construction for as long as 5 years. We understand that section 12 has been used only in hardship cases. Our review of the legislative history of section 12 indicates that that section was designed to afford the Administrator power to grant relief in situations where the borrower might be unable to meet payment when due. Specifically, in explaining the reason for section 12 Senator Norris on February 25 and 26, 1936, advised the Senate:

"By section 12 the Administrator is authorized and empowered to extend the time of payment of interest or principal. That is criticized, but it seems to me only fair that he should be given the authority to extend the time of payment in case some great catastrophe should happen, such as has happened in the past, making it almost necessary for such an extension to be made."

"The next amendment was, on page 7, after line 21, to insert a new section, as follows:

"Sec. 12. The Administrator is authorized and empowered to extend the time of payment of interest or principal of any obligation created pursuant to this act: *Provided, however,* That with respect to any loan made under section 4, the payment of interest or principal shall not be extended more than 5 years after such payment shall have become due, and with respect to any loan made under section 5, the payment of principal or interest shall not be extended more than 2 years after such payment shall have become due.

"Mr. COUZENS. Mr. President, I should like to have the Senator from Nebraska tell us the purpose of that amendment. There is no provision in it as to whether the interest shall continue over the 5-year period and the 2-year period, or what occasion may arise to bring about the desirability of those extensions.

"Mr. NORRIS. Of course, I cannot tell whether a case will ever arise where an extension will be desirable; but it was thought best to give the Administrator the power that is authorized to be given him in section 12 simply as a matter of safety, so that, on the other hand, when a loan came due he would not be compelled under the law immediately to proceed to collect it. He might be lenient; he might extend it; he might wait a while. If we did not put this language in the bill, the Administrator would feel that when a loan became due it was his duty to proceed at once to make collection. This amendment gives him a little leeway. That is the only reason for it that I know. It seemed only fair that the Administrator should have that much leeway." 80 Cong. Rec. 2579, 2832.

While the language of section 12 is admittedly broad, its legislative history as set out above and the long-standing administrative interpretation thereof creates considerable doubt as to whether that section was intended to constitute sufficient authority to carry out the recommendation in the House Report. In the absence of such authority in section 12, we would conclude that in order for a waiver to be granted by the Administrator it is essential that adequate consideration must flow to REA in each case where such waiver is granted.

With regard to the recommendation in the Senate Report, which would only apply to new loans, section 4 of the Rural Electrifica-

tion Act of 1936, 7 U.S.C. 904, provides that loans made thereunder "shall be on such terms and conditions relating to the expenditure of the moneys loaned and the security therefor as the Administrator shall determine." (*Underscoring added.*) Thus, the terms and conditions of loans made under section 4 are restricted to those relating to the expenditure of the money loaned and the security for such loans. It likewise is questionable whether the condition that would be imposed by the Senate Committee recommendation, i.e., grant of waiver on condition that during the waiver period the funds otherwise due and payable to REA would be invested in CFC, relates either to the expenditure of the money loaned or to the security for such loan.

In *Pridemark v. C.I.R.*, 345 F. 2d 35, 41 (1965) the court acknowledged that conferees thought a present statutory scheme was adequate to deal with a problem through either judicial decision or regulation and considered a Conference Report recommendation in reaching a decision. Accordingly, if the conferees on H.R. 17923 decide and report that:

(1) There is authority in section 4 to follow the Senate Committee's recommendation; or

(2) There is authority in section 12 to follow the House Committee's recommendation; or both,

our Office will accept the conference committee's recommendation and not object to any action taken by REA to follow whatever the conferees recommend, assuming that the House and Senate agree thereto. If there is no clear agreement on the issue, we will be glad to consider the matter further at your request in the light of the entire legislative history of the final enactment.

Sincerely yours,

ELMER B. STAATS,
Comptroller General
of the United States.

RURAL ELECTRIFICATION

ADMINISTRATION,

Washington, D.C. August 12, 1970.

Hon. SPESSARD L. HOLLAND,
Chairman, Subcommittee, Department of
Agriculture and Related Agencies, Com-
mittee on Appropriations, U.S. Senate.

DEAR SENATOR HOLLAND: We have your letter of August 5 with respect to the deferral of REA loan repayments on the basis that borrowers would use the amounts involved to purchase Capital Term Certificates from the National Rural Utilities Cooperative Finance Corporation. We note your inquiry as to the steps taken to notify REA applicants of the Senate Committee's recommendations and the provisions made for incorporating the Committee recommendation in loans since July 1, 1970.

Unfortunately, this matter was not discussed at the Appropriations hearings nor at any other time during our presence. Moreover, the officials of the CFC have not discussed the matter with us, and insofar as we know have made no request that this be a part of our cooperative working arrangement.

To date, we have taken no steps to inform loan applicants of the Senate recommendations nor to incorporate such recommendations in current loan contracts. Our reasons for taking no action at this time are as follows:

1. It is our feeling that the substantial difference between the recommendation

made by the House Subcommittee and that of the Senate should first be reconciled. We assumed that this would take place during the deliberations of the Conference Committee on the Agricultural Appropriations Bill.

2. After discussion of these recommendations with our General Counsel, it was decided that they involve serious questions relative to the authority of REA to defer loan repayments to the Government in favor of a strictly private institution. Consequently, the decision was made to refer the matter to the Comptroller General for a decision. Copies of this submission were sent to you and to other officials of the Senate and House Appropriations Committees.

3. In addition, it is desirable that this matter be discussed with the Office of Management and Budget and the Treasury to determine the effect on the Government's expenditures control program.

We respectfully request that this matter be considered by the Conference Committee and that all ramifications and consequences of the recommendations be reviewed. It is our desire not to take any steps that would tend to weaken the basis for REA's cooperation with CFC. We already have indications that there would be serious objections to this type of action. This is especially true when REA is already deferring the principal repayments for a period of three years. Moreover, borrowers have more than \$515 million in accumulated general funds and a combined cushion of credit with REA of more than \$346 million. With the exclusion of all investments in CFC from our general funds control, it would appear that most borrowers are in a position to meet their commitments to CFC without serious problems.

It is true that some borrowers do not have substantial amounts of general funds. Generally, this group of borrowers will continue to be eligible to receive 100% REA loans. However, these borrowers should take the steps necessary to reduce expenditures or increase rates as necessary to strengthen their financial condition. Rate reductions during the past several years have limited the ability of some borrowers to accumulate general funds and to be in a position to meet such responsibilities as CFC involves.

It would be helpful if the Committee would support REA and CFC in our combined efforts to take such steps as may be reasonable and appropriate to encourage and assist borrowers in increasing their financial strength. This is the only long-term solution to borrowers' financial problems.

We shall be pleased to discuss this matter at greater length with you and your associates on the Appropriations Committee.

Sincerely,

DAVID A. HAMIL,
Administrator.

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, D.C., August 5, 1970.

Mr. DAVID A. HAMIL,
Administrator, Rural Electrification Administration, U.S. Department of Agriculture, Washington, D.C.

DEAR MR. HAMIL: This will acknowledge the receipt of your letter of July 27, transmitting to the Committee a copy of a letter of the same date to the Comptroller General from the Under Secretary of Agriculture. It is noted in the Departmental letter of July 27 that the General Accounting Office has been requested to confirm the authority of the

Rural Electrification Administrator to defer principal payments for the purpose of requiring borrowers to invest such deferred amounts in the Cooperative Finance Corporation—as recommended by this Committee in Report 91-987.

The hearing record for fiscal 1971 sets forth the interest and participation of the REA to assist in the organizational aspects of the CFC, including development of the joint operating procedures to review and consider loans to be financed from CFC capital on a case-by-case basis. The record shows the opinion of the General Counsel that no legislation was required for such cooperation, and that such loans could be made upon a documented determination that the Government security interests were not diminished.

You have also notified borrowers that investments to be made in the Cooperative Finance Corporation will be exempted from the limitation of 8 percent on general fund reserves. The Committee has concurred in the joint cooperative efforts of the REA and the electric cooperatives to develop a supplemental "self-help" financing program. In furtherance of the desire of all concerned to provide for a continuous flow of capital subscriptions on a voluntary basis, it was believed by the Committee that more affirmative steps should be undertaken to facilitate the regular investment of capital in the CFC for not less than three years. The matter may, of course, be re-examined by the Committee prior to or at the end of three years.

Historically, the REA Administrators, past and present, have been aggressive in their assertion of full authority to make full use of the REA Act to make loans for various purposes and to defer the repayment of principal for varying periods and for varying purposes—without extending the term of the loan contract. This Committee believes that its recommendations, which are not mandatory upon the applicant for a loan as a term or condition of the loan, do fall within the authority of Section 4 which reads: "Loans under this section and section 5 shall not be made unless the Administrator finds and certifies that in his judgment the security therefor is reasonably adequate and such loan will be repaid within the time agreed." It is the understanding of the Committee that deferments authorized under Section 12 are normally made in hardship cases on outstanding loans and do not apply to the deferral recommendations of the Committee report which relate only to deferrals on new loans.

In view of the progress made to date on the CFC financing program, the restrictive fiscal situation, and the large backlog of loan applications, plus the ever-increasing power needs of the electric cooperatives, the Committee believes it essential to recommend to the REA the full use of existing authority under Section 4 of the REA Act, to provide for regular contributions to the CFC from loans made beginning with July 1, 1970.

In essence, the Committee recommendations continue the requirement of the Administrator to determine that all loans be feasible and that the security of the Government be protected, but that deferral of principal for at least three years in appropriate cases be made for payment into the CFC capital structure. Senate Report 91-987 fully describes the history of principal deferrals, the need for new methods of financ-

ing, and the ultimate goal to be achieved—namely, to reduce the complete reliance in future years upon 2 percent loan funds.

It will be appreciated if you will advise the Committee as to steps taken to notify the REA applicants of the Senate Committee recommendations, and what provision has been made incorporating the Committee recommendations in loans announced since July 1, 1970.

Yours faithfully,

SPESSARD L. HOLLAND,
Chairman, Subcommittee, Department of Agriculture and Related Agencies.

RURAL ELECTRIFICATION ADMINISTRATION,
Washington, D.C., July 27, 1970.
Hon. SPESSARD L. HOLLAND,
U.S. Senate.

DEAR SENATOR HOLLAND: The statements contained in both the Senate and House Reports on Appropriations for 1971 concerning the deferment of REA loan repayments in support of the National Rural Utilities Cooperative Finance Corporation have been discussed with the Department's Office of the General Counsel. It is our opinion that these recommendations should be referred to the Comptroller General of the United States for a decision as to whether the Administrator may, under provisions to Section 4 of the Act, grant deferments for the purpose of facilitating borrowers investments in CFC as a private institution.

Accordingly, the attached letter has been directed to the Comptroller General of the United States.

We appreciate your interest in the success of the CFC venture. We have indicated our complete cooperation in an effort to organize and develop this supplemental source of credit for REA borrowers. Owing to the possibility that certain aspects of our working relationships may be questioned, we feel that we should proceed only with assurance that we have the essential authority.

Sincerely,

DAVID A. HAMIL, *Administrator.*

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., July 27, 1970.
Hon. ELMER B. STAATS,
Comptroller General of the United States, General Accounting Office.

DEAR MR. STAATS: In their Reports on the Department of Agriculture and Related Agencies Appropriation Bill, 1971 (H.R. 17923), the House and Senate Committees on Appropriations, respectively, have recommended that the Administrator of the Rural Electrification Administration defer repayments by REA electric borrowers on outstanding loans for up to three years, and that the Administrator grant up to a three year deferment on principal installments on new REA loans. (H. Rep. 91-1161, June 4, 1970, and S. Rep. 91-987, June 29, 1970.) In both cases, the deferment was recommended to enable borrowers to make investments in the National Rural Utilities Cooperative Finance Corporation (CFC), a self-help, non-governmental financing institution organized to help meet the accelerating capital requirements of REA-financed electric systems, which cannot be met by REA. These recommendations raise several questions on which we would like your decision.

CFC was incorporated on April 10, 1969, as a nonprofit cooperative association under the laws of the District of Columbia. It was

sponsored by the National Rural Electric Cooperative Association, representing almost all rural electric systems financed by REA. The corporate purposes of CFC are stated in its Articles of Incorporation to be:

"To provide, secure and arrange financing for its members and patrons as required by them for the planning, initiation and execution of their programs, projects and undertakings conducted in accordance with, and in pursuance of their objectives under the statutes of their respective places of organization and operation, in the United States of America, its territories and possessions, for the primary and mutual benefit of the patrons of the Association and their patrons, as ultimate consumers."

Membership in CFC is limited to cooperative or nonprofit corporations and public bodies which have received or are eligible to receive loans from REA and to their associations. Of the 983 such corporations and public bodies eligible for membership, and out of a present total of 986 REA electric borrowers, more than 750 have each submitted an application for membership along with a membership fee of \$1000. However, only those applicants which subscribe to their required quotas of Capital Term Certificates will be admitted to membership. Required initial subscriptions are based on specified percentages of the value of the subscriber's utility plant in service, of certain operating revenues and of certain reserves, and are payable, at the subscriber's option, in three annual payments beginning on October 1, 1970; additional annual subscriptions are required from 1973 through 1984. Capital Term Certificates are unsecured obligations of CFC repayable in 50 years, bearing interest at a rate of 3 percent per annum, and subordinate to other indebtedness for borrowed money. CFC estimates it will receive, through Capital Term Certificates, and have available for lending to members, a maximum of \$50 million during each of its initial three years, and a maximum total of \$350 million during the next 15 years. As it gains experience and builds up a portfolio of loans, CFC also plans to sell debt securities in the private money market, perhaps in its second year of operation, and has estimated an ability to sell such securities in an amount equal to three times the amount received from membership fees, operating margins and sale of Capital Term Certificates. Thus, over a 15-year period, CFC may be able to establish a supplemental loan program well in excess of \$1 billion.

In recent years, REA electric loan funds annually authorized by Congress have averaged about \$350 million; capital requirements, loan applications and loan backlogs of REA borrowers have been accelerating. The rural electric systems which have received \$3.5 billion in REA loans during the last 15 years are expected to need \$8 billion in the next 15 years. While REA borrowers in special circumstances may be able to obtain and support individual, open-market financing in the future, CFC appears to be the only source now in view which may furnish substantial supplemental financing for a large majority of REA-financed rural electric systems.

Preliminary discussions between REA and CFC representatives have resulted in tentative criteria to determine the conditions under which 2 percent REA and higher-interest supplemental CFC loans would be made. Full or 100 percent REA loans, under these cri-

teria, would continue to be made to borrowers unable to pay a higher rate of interest, as determined by the Administrator.

One hundred percent CFC loans would be made to borrowers who request them, because REA may be legally unauthorized to make the particular loan or for other reasons, and who are able to sustain such higher interest loans. Most financing, however, would be the result of concurrent REA and CFC loans, the proportion of the total loans to be made by each source to be determined so as to utilize the full amount estimated to be available to REA and CFC for this purpose. It has been estimated that during the first year of CFC's operation, approximately 90 percent of the needs of borrowers falling in this category (representing perhaps 90 percent of all electric borrowers) might be met by REA and 10 percent by CFC. REA loans to these borrowers would be conditioned upon the borrower obtaining a specified supplemental loan. This loan would normally be obtained from CFC, but could be obtained from any other financing source that might be available to the borrower.

CFC is a private corporation, owned and controlled by its members, whose articles of incorporation, bylaws and corporate purposes are subject to alteration by the members.

I

In its Report, the House Committee on Appropriations made its recommendation to the Administrator in the following terms (at page 42):

"To meet this massive requirement [of satisfying increasing power needs of consumers], Congress must continue to play its role. The REA borrowers themselves are likewise seeking other means within their own organization to meet their obligation to their consumers. They are forming the National Rural Utilities Finance Corporation to commence operations this year. Whether this system works will have to await the action of the money markets.

"Because of this, the Committee suggests that where the financial condition of a borrower is sound and where the Government's interest is adequately safeguarded, the Administrator considers deferring repayments on outstanding loans for up to three years. Such action where necessary would enable the cooperatives to more fully subscribe the stock of this new lending institution."

The Administrator's authority to defer repayments on existing REA electric loans appears in section 12 of the Rural Electrification Act of 1936, as amended, which provides:

"The Administrator is authorized and empowered to extend the time of payment of interest or principal of any loans made by the Administrator pursuant to this Act: *Provided, however,* That with respect to any loan made under section 4 . . . , the payment of interest or principal shall not be extended more than five years after such payment shall have become due. . . ."

This authority has been used sparingly by REA and to the minimum extent necessary to place a borrower on a more stable financial basis and provide greater assurance of repayment of REA loans; in all cases, consideration has been directed to the effect of any deferment on the Government's security and a finding required that the deferment is in the best interest of the Government, as well as the borrower.

The House Committee's recommendation

for deferring repayments is limited to instances "where the financial condition of a borrower is sound and where the Government's interest is adequately safeguarded," and "where necessary," but the purpose of the recommended deferment is to "enable the cooperatives to more fully subscribe" to CFC's Capital Term Certificates. Such a deferment would represent a waiver or surrender of the Government's right to receive particular payments at specified times. It would, in effect, involve, on the one hand, the loss to the Treasury of earlier repayments and the consequent increase of the period during which Government funds would remain on loan to REA borrowers at the statutory 2 percent rate of interest, and, on the other hand, the investment by a borrower of such funds in Capital Term Certificates for which it receives 3 percent.

The initial question is whether the exercise of the authority contained in Section 12 of the RE Act must be confined to deferments of payments which are in the interests of, and provide a compensating benefit to, the Government.

If it be determined that this governing principle must be observed, the further question arises whether the recommended deferment of payments can be justified on the basis of the benefit to the Government in bringing about earlier and more CFC supplemental loans to REA-financed systems.

Encouraging the injection of a new and additional source of needed capital for REA-financed electric systems would help to assure protection of an important element in the Government's security interests insofar as it enables these systems more fully to satisfy their utility responsibilities, and to avoid the loss of consumers and service areas and of utility rights under existing certificates of convenience and necessity, franchises, permits and other service authorizations.

II

The recommendation in the Report of the Senate Committee on Appropriations appears as follows (on pages 38-9):

Supplemental financing program

"The Committee commends the rural electric systems in their attempt to establish a financing organization to help alleviate the large financial needs of the rural electric systems for new capital financing from the Federal Government. The National Rural Utilities Cooperative Finance Corporation (CFC) was incorporated in the District of Columbia on April 10, 1969. The Committee understands that CFC now has 785 members in 44 states.

"Historically, REA has granted loans since the program began in 1935 allowing deferment of the payment of principal on the loans for varying periods of time. In some cases the deferment period has been for one year, in some cases for two years, in some cases for three years, in some cases for five years, and in a few instances even longer.

"The Committee believes that the CFC plan has the potential of diverting the growing need to increase the annual loan authorization and achieve a large measure of 'self-financing' in future years. To be most effective the capitalization of the corporation must be accelerated.

"The Committee expects the REA Administrator to assume an active role in cooperation with CFC in the accumulation of initial subscription of capital from CFC members for initial operations.

"In addition to the subscription of capital from existing sources and to meet the objectives set forth in the House Committee Report a continuous flow of capital funds is essential to the orderly development of the CFC.

"The Committee is of the opinion that the recommendation in the House Committee Report to defer principal repayments on outstanding loan contracts is not a feasible method of providing for an orderly flow of capital subscriptions to the CFC. The Committee recommends that beginning on June 1, 1970, that the REA Administrator grant up to a three-year deferment on principal installments on new REA loans—with the understanding that such deferred installments on principal will be invested by borrowers in the CFC.

"Such regular investments in CFC when continued for several years and coupled with the open market sale of debentures, should then enable the REA Administrator and the CFC to make an orderly transition from complete reliance upon government financing to a greater reliance upon the sale of CFC debentures, except for the financing of systems where the input of 2 percent government loans may be essential to the maintenance of adequate electrical service at reasonable rates in low density population areas."

Thus, in lieu of the House Committee's proposed deferment of repayments due under outstanding REA loans, involving a Government waiver or surrender of existing rights, the Senate Committee's recommendation favors a proposed scheduling of principal payments, in notes to be delivered to REA by its electric borrowers pursuant to future REA loans, under which payments of principal would be deferred for three years, provided the deferred payments are invested by borrowers in CFC.

As noted by the Senate Committee, REA has from its beginning scheduled proposed principal payments to begin at varying periods after the date of the borrower's note. Present REA practice is to provide for principal payments generally to begin three years after the date of the note, but lesser and greater deferment periods are provided for, depending upon the particular circumstances of the borrower and the loan purposes. Basically, such deferments have been granted for the purpose of permitting the borrower, during the period of construction and initial operations, to develop and attain adequate revenues before it is obligated to make principal payments. Such scheduling of principal payments are provided for pursuant to the authority of the Administrator, under section 4 of the REA Act, to make electrification loans "on such terms and conditions relating to the expenditure of the moneys loaned and the security therefor as the Administrator shall determine and [such loans] may be made payable in whole or in part out of the income."

The basic question is raised whether the Administrator may, under the provisions of section 4, condition future REA loans, granting a deferment of principal payments, upon a requirement that the borrower invest such deferred amounts in CFC. The "terms and conditions" which the Administrator is authorized to fix for REA loans are required, under section 4, to be those "relating to the expenditures of the moneys loaned and the

security therefor." May this form of assistance to CFC properly be deemed to relate to "the security" for REA loans, in light of the expected role of CFC in providing required capital to REA borrowers which might not otherwise be available and thereby preclude hazards to the Government's security interests resulting from borrowers' inability to fulfill their public obligations?

Further subsidiary questions are raised by the possible, different applications of the Senate Committee recommendation. Would the recommended deferment, with its concomitant obligation that the borrower invest in CFC, be a permissible "term and condition" under section 4 where the borrower is given the choice of accepting the deferment with its accompanying obligation to invest in CFC, or not accepting the deferment and thereby not obligating itself to invest in CFC?

Would such a "term and condition" be authorized if the borrower, on the other hand, were required, as a condition of receiving the loan, to accept the deferment and to obligate itself to invest in CFC?

Whether the deferment, with its obligation to invest in CFC, is required or optional, would the "term and condition" be permissible where (a) the borrower does not wish to become a member of CFC and wishes to obtain its required supplemental financing from a non-REA source other than CFC; (b) the borrower is eligible for a 100 percent loan from REA and has no present intention or need to borrow from CFC; (c) the borrower has ample funds of its own for investing in CFC; or (d) the borrower is already a member of CFC and has met CFC's required investment quota?

Your decision on the questions raised in this letter will be greatly appreciated.

Sincerely,

J. PHIL CAMPBELL,
Under Secretary of Agriculture.

Mr. HOLLAND. Mr. President, as a result of working out this matter in conference, I think it will be very clear that there is no difference between the House and the Senate on this point and that the Administrator may in his discretion and when the interests of the United States are well safeguarded, in his opinion, thus contribute to the increased investment of funds of the various REA associations, if they so desire, in the capital of the CFC.

Mr. President, I believe that the efforts by the House committee and the Senate committee, as resolved in the statement which has been included in the record of the Senate from the conference report, will enable the REA Administrator—in cooperation with the Rural Electrification borrowers—to carry forward at an accelerated rate a self-help financing program to which the REA has repeatedly pledged the support of the Administration.

I am glad to add to my prepared statement the fact that the capital structure of CFC has now grown to the point that they have approved the granting of loans in certain cases and applications are now coming in for the granting of such loans.

In other words, the organization is now functioning as a needed auxiliary and a needed supplement to the regular REA program.

COMMODITY CREDIT CORPORATION

Mr. President, I am pleased to report that the House conferees were willing to accept the Senate version of the appropriation bill for the item of reimbursement of capital impairment of the Commodity Credit Corporation in the amount of \$3,363,155,000. The amount provided restores the unreimbursed loss incurred in fiscal 1968 of \$250 million, and the full loss incurred in fiscal 1969 by the CCC in the conduct of authorized programs.

This is the first year in many years, and since I became chairman of the subcommittee in 1963, that the fiscal affairs of the CCC in regard to this item have been brought to a current basis.

In 1961, under Public Law 87-155, the Congress authorized that appropriations be made annually to reimburse the Corporation for net realized losses when the amounts of such losses were fully reflected in the accounts and reports of financial condition of the Corporation.

Over the years, it has been necessary to make supplemental appropriations to provide the CCC with sufficient capital under its \$14.5 billion borrowing authority to carry out all of its assigned responsibilities. I am happy to report that with the assistance of the Senate, which has supported me year after year in our committee's recommendation to restore the capital of the CCC as intended by law, plus the cooperation of the House conferees, and from the Secretary of Agriculture—irrespective of political party—and finally, with the support of the Bureau of the Budget, this appropriation item is now current except for the losses incurred in fiscal year 1970, which I hope will be included in full in the budget estimate for 1972.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. YOUNG of North Dakota. This is the first time for a long time that the funds for CCC have been current. I know this to be true because I was the chairman of the Subcommittee on Agriculture Appropriations 16 to 20 years ago, and during all that time and since this is the first time CCC has been fully repaid.

As the Senator knows, CCC is capitalized at \$14.5 billion. Many times 15 and 18 years ago the funds were all committed to the extent that we had to pass special appropriations to get funds to a Senate necessary farm program.

I wish to commend the distinguished Senator from Florida for the great job he has done in getting these funds current and for the able assistance he received from the distinguished minority

member, the Senator from Nebraska (Mr. HRUSKA).

This is not the Senator's only accomplishment. I think it is fair to say that the Senator from Florida knows more about the entire operations of the Department of Agriculture than any Secretary of Agriculture in recent years. Although the Senator from Florida does not believe in all these programs, he has done an excellent job of financing them and making sure they are run right.

Mr. HOLLAND. Mr. President, I thank my distinguished friend for his more than generous statement. I want to say that I have had the help of many Senators. I have not only had the help of the distinguished Senator from Nebraska (Mr. HRUSKA) for some years as the ranking minority member, and before that of the Senator from North Dakota (Mr. YOUNG), who was the ranking minority member, but the help of every other member of the subcommittee and of the full committee.

When this principle of a fair and correct showing of just what the CCC operations are, and in the year in which it was audited, was urged year after year, it took all of us together to gradually bring the account closer and closer to a current condition.

Nothing in this report makes me happier than to report that our joint efforts have now succeeded, with the help for the first time of the Bureau of the Budget, and with the help for a good many years of the Department of Agriculture, in bringing this account to a current basis, so people can look and see just what the CCC has done in terms of money and how that has impaired its capital structure. I must say the CCC does only those things which it is instructed to do by legislation passed by the Congress.

Mr. YOUNG of North Dakota. The Senator from Florida has been effective in a great many of his undertakings, but never more than in this one. I do not know of any project the Senator from Florida has undertaken which has been more difficult. The Senator from Florida just persisted until he practically forced the Bureau of the Budget to come up with a budget estimate, and he insisted that the Appropriations Committee provide those funds. Sometimes those funds were lost in conference with the House, but the Senator from Florida even persuaded the House this time that the account should be made current.

Mr. HOLLAND. I thank my friend for his more than generous remarks.

I yield now to the Senator from Vermont (Mr. AIKEN).

Mr. AIKEN. Mr. President, I want to say that the House and Senate conferees have done a remarkably good job on this agricultural appropriation bill, and there seems to me no better time to say that over the past few years, under the able leadership of the Senator from Florida, we have had exceptionally good agricultural appropriation bills presented to us for our approval.

I would also like to add that the Senator from Florida has been ably assisted by three members of the Agriculture Subcommittee whom I now see on the

floor—the ranking minority member, the Senator from Nebraska (Mr. HRUSKA), the Senator from North Dakota (Mr. YOUNG), and the Senator from Louisiana (Mr. ELLENDER). Certainly, all these years the Senator from Florida has done a tremendously beneficial job for his country, and I want to say the country appreciates it, and certainly the Members of the Congress do.

Mr. HOLLAND. I thank my distinguished friend from Vermont for his overgenerous statement.

I may say that our subcommittee has been exceedingly fortunate in the fact that it has, as ex-officio members from the Committee on Agriculture and Forestry, the ranking minority member, the Senator from Vermont (Mr. AIKEN), and the chairman of our legislative Committee on Agriculture and Forestry, the Senator from Louisiana (Mr. ELLENDER). I think this makes for an excellent interlocking of the legislative branch of the Senate with the appropriations branch.

I am quite eager to say again I think it is the help of these fine members of the subcommittee and the full committee which has made possible any progress or success which we have had.

I am glad to yield now to my distinguished compatriot, the ranking minority member of the subcommittee, the Senator from Nebraska (Mr. HRUSKA).

Mr. HRUSKA. Mr. President, I thank the chairman of our subcommittee. I rise to suggest, Mr. President, that the analysis and the overview of the bill just presented by the Senator from Florida is characteristic of the fashion in which he has dealt with the agricultural appropriation bills for some years now. It is not only in regard to the topics themselves, but the fashion in which he has exercised leadership in them that we find a great deal of comfort.

This is a big bill. It is over \$7.5 billion, and only about \$3.250 billion goes directly to farmers. The rest of it is in other areas. This is a subject that is frequently commented on by all members of the committee when they get exercised over some views that are bandied about in loose talk about the so-called \$7.5 billion windfall or boondoggle for the farmers.

Many of these programs are far-reaching. The topics that were dealt with by the Senator from Florida include the food stamp program. They include price support limitations, the agricultural conservation program, the rural electrification program, the supplemental financing program and, of course, the Commodity Credit Corporation.

I want to comment only briefly on two or three of these topics, one of which is the Commodity Credit Corporation. I do that for the reason that we find in the Chamber today two of the pioneers in the field of trying to get the Commodity Credit Corporation capital account in proper shape, so it could be dealt with honestly and efficiently in a manner so the public would know what it is about, and where we are going, and why.

One of the charges left with us in the conference committee, concluded only 2 or 3 days ago, by the senior Senator from Florida was that now that he

has put the house in order, it was for those of us who would stay a little while longer to keep it in order. I do believe that without his leadership it would not have been possible.

I shall not repeat any comments in those areas that have already been treated by the Senator from Florida. I call attention to two points which also evidence leadership on the part of the Senator from Florida. One is the allowance of \$4,862,000 over 1970 as additional money for staffing and equipping of research laboratories. When the Senator from Florida assumed the chairmanship of the subcommittee, he undertook a pioneering, fundamental work by making scientific study and appraisal of all the research facilities and laboratories. An order of priorities was set forth and quite religiously followed.

However, we found ourselves in a position where five of these laboratories were built but were not staffed or adequately equipped. There sat this tremendous capital investment, unable to do work which was considered so important that tens of millions of dollars, and perhaps hundreds of millions of dollars, of capital had been pledged. So that item I believe is well invested, and it will produce much benefit as we go along.

In another area, \$4,580,000 was added for the planning and construction of new, and I might add, vitally needed research plants. That also is money well invested.

Then we go to the figure for the agricultural conservation program. This year, again, Congress has overwhelmingly approved and confirmed the agricultural conservation program as national policy.

The conference committee approved funding at \$195,500,000 for fiscal 1971. Yet no action has been taken by the Secretary of Agriculture to announce the 1971 ACP.

ACP cost-sharing is available to farmers and ranchers in every agricultural county in the Nation. The program is administered by the Agricultural Stabilization and Conservation Service. In many of these counties the ACP is the major program offered. Without an ACP in 1971 a minimum of 300 of these local offices will have to be closed, leaving farmers in these counties without ASCS services. Once closed, it will be very difficult to rehire personnel with the background and training to reopen these offices.

With all the tremendous public clamor for the control of pollution and for the protection of our environment, it would appear to me the height of folly to deactivate the ACP which fits right into our environmental quality programs, and it would be shortsighted indeed to strike the well-known and effective programs we have in the name of doing more.

This has been one of the most effective farm programs ever passed or funded, and I cannot reconcile the tremendous effort being put forth to control air and water pollution with the suggestion that the ACP be eliminated. Certainly no program already in existence or likely to be formulated would contribute more to the control of air and water pollution than this one.

On the basis of sheer volume, the greatest water pollutant of them all is silt. Farmers and ranchers with ACP assistance have kept millions of tons of silt out of our rivers and lakes with 2 million water-storage reservoirs; 33 million acres of terracing; over a million acres of permanent sod waterways; and vegetative cover on 769 million acres.

It is significant to me that since the ACP was started we have not experienced another dust bowl like the one so well remembered by those of us who live in the Great Plains States.

Economists tell us we are going to need more timber. The ACP has helped with the planting of 4.6 million acres of trees, and has improved the stand of trees on another 3.8 million acres.

Assistance is given for pollution abatement systems to handle solid wastes, and properly dispose of concentrations of pollutants in farm feedlot areas to keep our lakes, ponds, and streams clear and useable.

I believe, it would be well that the language in the conference report on the subject of the program, however, be scanned a little bit, Mr. President. I read a paragraph from page 9 of the conference report:

The conferees agreed to call on the Department to announce the 1971 program, which should have been announced months ago, including therein all programs, practices and procedures available in the calendar year 1970 program such changes as may be recommended by the county committee and approved by the State committee.

Mr. President, I believe that that language, particularly the words "call on the Department to announce the 1971 program—including therein all programs, practices and procedures" and so on, should not be interpreted as a limitation or restriction of the program. As a member of the Conference Committee I was reluctant to agree to this language. The Congress, the Department of Agriculture, and the State and County ASCS Committees have tried hard and effectively in my opinion to constantly improve this program. We have eliminated

completely some of the temporary practices which have caused criticism, and reduced other practices which do not have an enduring effect. In fact around 90 percent of the program is made up of enduring practices.

I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks three tables, one showing the portion of the cost sharing for conservation practices with enduring benefits for the year 1969, and another which shows the portion of the ACP cost sharing assistance for practices with enduring benefits and for practices with benefits of limited duration, and another showing State allocations, farmer contributions, average assistance per farm, and participating farms.

The PRESIDING OFFICER (Mr. MURPHY). Without objection, it is so ordered.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

PORTION OF COST SHARES FOR CONSERVATION PRACTICES WITH ENDURING BENEFITS¹ 1969 AGRICULTURE CONSERVATION PROGRAM

State	Percent
Alabama.....	68
Alaska.....	100
Arizona.....	2 100
Arkansas.....	72
California.....	2 100
Colorado.....	2 100
Connecticut.....	76
Delaware.....	29
Florida.....	65
Georgia.....	65
Hawaii.....	93
Idaho.....	98
Illinois.....	89
Indiana.....	77
Iowa.....	91
Kansas.....	98
Kentucky.....	98
Louisiana.....	65
Maine.....	97
Maryland.....	77
Massachusetts.....	84
Michigan.....	77
Minnesota.....	96
Mississippi.....	72
Missouri.....	94
Montana.....	2 100
Nebraska.....	99
Nevada.....	100
New Hampshire.....	96
New Jersey.....	70

State	Percent
New Mexico.....	95
New York.....	97
North Carolina.....	72
North Dakota.....	68
Ohio.....	85
Oklahoma.....	95
Oregon.....	98
Pennsylvania.....	98
Puerto Rico.....	97
Rhode Island.....	67
South Carolina.....	78
South Dakota.....	94
Tennessee.....	85
Texas.....	89
Utah.....	2 100
Vermont.....	2 100
Virginia.....	86
Virgin Islands.....	100
Washington.....	98
West Virginia.....	98
Wisconsin.....	98
Wyoming.....	99
Total.....	87

¹ Rounded to nearest whole percent.

² Less than 1/2 of 1 percent for practices of limited duration (temporary practices).

PORTION OF ACP COST-SHARING ASSISTANCE FOR PRACTICES WITH ENDURING BENEFITS AND FOR PRACTICES WITH BENEFITS OF LIMITED DURATION 1954 TO CURRENT PROGRAM

[Percent]			
Program	Portion used for practices with enduring benefits ¹	Portion used for other practices ²	Total
1954.....	76	24	100
1955.....	76	24	100
1956.....	84	16	100
1957.....	83	17	100
1958.....	86	14	100
1959.....	88	12	100
1960.....	87	13	100
1961.....	85	15	100
1962.....	87	13	100
1963.....	88	12	100
1964.....	89	11	100
1965.....	84	16	100
1966.....	86	14	100
1967.....	87	13	100
1968.....	87	13	100
1969.....	87	13	100
1970 tentative estimate ³	90	10	100

¹ This group includes the practices classified in the ACP National Bulletin as having enduring benefits.

² This group includes the practices classified in the ACP National Bulletin as having benefits of limited duration.

³ Based on early indications—considering increased emphasis on pollution abatement and other enduring practices.

STATE ALLOCATIONS, FARMER CONTRIBUTIONS, AVERAGE ASSISTANCE PER FARM, AND PARTICIPATING FARMS, 1969 AGRICULTURAL CONSERVATION PROGRAM

State	Allocation ¹ (thousand dollars)	Farmer contributions ² (thousand dollars)	Average assistance per farm (dollars)	Participating farms (number)	State	Allocation ¹ (thousand dollars)	Farmer contributions ² (thousand dollars)	Average assistance per farm (dollars)	Participating farms (number)
Alabama.....	5,298	5,298	231	22,493	Nevada.....	640	640	840	687
Alaska.....	61	61	606	107	New Hampshire.....	457	457	266	1,714
Arizona.....	1,563	1,563	1,099	1,402	New Jersey.....	652	652	223	2,760
Arkansas.....	4,452	4,452	213	20,723	New Mexico.....	2,246	2,246	633	3,558
California.....	4,894	4,894	702	6,268	New York.....	4,499	4,499	247	19,087
Colorado.....	3,719	3,719	420	7,549	North Carolina.....	6,267	6,267	83	76,198
Connecticut.....	415	415	193	2,061	North Dakota.....	5,269	5,269	175	27,868
Delaware.....	279	279	227	1,233	Ohio.....	5,263	5,263	218	22,993
Florida.....	3,335	3,335	293	11,090	Oklahoma.....	6,221	6,221	248	20,972
Georgia ³	6,980	6,980	212	28,865	Oregon.....	2,370	2,370	483	4,955
Hawaii.....	159	159	649	205	Pennsylvania.....	4,172	4,172	320	13,387
Idaho.....	1,987	1,987	285	6,986	Puerto Rico.....	805	805	69	11,567
Illinois.....	7,577	7,577	290	24,577	Rhode Island.....	68	68	154	383
Indiana.....	5,072	5,072	170	24,913	South Carolina.....	3,212	3,212	214	14,610
Iowa.....	8,386	8,386	182	43,937	South Dakota.....	4,071	4,071	201	19,007
Kansas.....	6,416	6,416	369	16,839	Tennessee.....	5,236	5,236	111	44,345
Kentucky.....	6,265	6,265	173	34,677	Texas.....	18,142	18,142	267	66,433
Louisiana.....	4,064	4,064	255	16,642	Utah.....	1,245	1,245	250	5,147
Maine.....	1,020	1,020	223	4,179	Vermont.....	962	962	218	4,603
Maryland.....	1,196	1,196	207	5,684	Virginia.....	4,188	4,188	109	38,132
Massachusetts.....	480	480	261	1,832	Virgin Islands.....	12	12	925	13
Michigan.....	4,430	4,430	211	18,163	Washington.....	2,550	2,550	363	6,874
Minnesota.....	5,876	5,876	269	18,746	West Virginia.....	1,613	1,613	104	15,377
Mississippi.....	5,915	5,915	154	39,106	Wisconsin.....	5,156	5,156	301	16,972
Missouri.....	8,141	8,141	152	51,534	Wyoming.....	1,919	1,919	547	3,294
Montana.....	4,835	4,835	644	6,434	Total.....	195,500	195,500	213	871,486
Nebraska.....	5,450	5,450	331	14,305					

¹ Basic State allocation plus estimated amount for small cost-share increases.

² Estimated as equal to State allocation (does not include conservation practice investments by the participants beyond the practice units for which cost shares were approved).

³ Includes \$595,000 for naval stores conservation payments through the Georgia State office for naval stores producers in Alabama, Florida, Georgia, Louisiana, Mississippi, South Carolina, and Texas.

Mr. HRUSKA. The former is by State, and the second one is by year, and the percentage shown as an estimated figure for 1970 of the portion used for practices with enduring benefits is about 90 percent. I am proud to say that for the State of Nebraska, the figure in the table is 99 percent.

Attempts are being made by the Department and the State committees to improve the program even more along this line. I would not want the report language to be interpreted in a manner so as to curtail the incentive to improve this program.

I would hope that the program can be announced soon and that the farmers can continue with this great program. I would suggest that during the next few months if drastic changes are proposed in the program, these changes be presented to the Senate and House committees. Extensive hearings can be held and a full investigation of the present program and future program can be made.

Again I wanted to commend, on behalf of myself and those whom I represent—and I know I speak the sentiments of all the Members of this body—the service rendered through the years as well as this particular year by the chairman of our subcommittee.

Mr. HOLLAND. Mr. President, I thank the Senator for that statement.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HOLLAND. I am glad to yield again to the Senator from Vermont.

Mr. AIKEN. I agree with the remarks of the Senator from Nebraska. I have been trying since last August to persuade the administration to announce the ACP program for this year. I have not been successful in that. I cannot understand what has happened to their sense of values, because agriculture is still far and away the most important industry we have, with almost one-third of the total number of gainfully employed people in this country dependent upon it, either in connection with the manufacture of supplies and equipment, actually working the land, or in the transportation, handling, and processing of farm products.

I cannot understand why the Budget Bureau, or whoever it is that is responsible for this situation, does not recognize that fact.

I do wish to point out, however, that the idea of eliminating the ACP did not originate with this administration, but had been recommended to us by the previous administration, which however yielded to the express desires and wishes of Congress, and up to now the program has been continued.

I have no doubt but that the program needs to be changed in some respects. It is changing now, from a program mainly to encourage production to a program to control misuse of the lands or pollution of the waters. There is no reason in the world why the new program for this year should not be announced without any further delay; and as a matter of fact, it should have been done several months ago.

Mr. HRUSKA. I thank the Senator for his contribution, and thank the chairman once again.

Mr. BELLMON. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I am happy to yield to the distinguished Senator from Oklahoma.

Mr. BELLMON. Mr. President, I join my colleagues in expressing support for the conference committee's decision to fund the agricultural stabilization and conservation program. I am one who remembers the days of the 1930's, when much of Oklahoma, as well as the other high plains States, was subject to very serious wind erosion. Today we are hearing about air pollution; but anyone who came through those storms would know what air pollution really was. The air was so full of silt and dust it was virtually impossible for man or beast to breathe.

The agricultural stabilization and conservation program has not only stopped that kind of erosion and air pollution, but it has given the farmers the tools they need to work with to stabilize agriculture through much of the Midwest, where rainfall is not dependable, where the climate is erratic, and where extraordinary steps are needed to keep the soil in place and keep it in a productive condition.

I would say the amount of money which our Government has spent through this program in helping to preserve our agricultural resources has probably been the best investment this government has ever made; and suddenly to come along and chop off the program and reverse that trend would, I believe, be a greater mistake than Congress and the Senate could allow.

I certainly join with my colleagues, and commend them for the good judgment they have had in restoring the appropriations and instructing the Department of Agriculture to announce the 1971 program.

Mr. HRUSKA. Mr. President, will the Senator yield briefly on that point?

Mr. HOLLAND. I thank the Senator from Oklahoma for his comment, and I am glad to yield again to the Senator from Nebraska.

Mr. HRUSKA. Would the Senator from Oklahoma agree with me—and this is a subject that has been discussed in committee as well as in conference—that the sensible way to go about a revision of this program is not to put it in the hands of the administrators, either Bureau of the Budget or in the Department for the purpose of doing that?

We well know that there are some component parts of the procedure that are probably not too beneficial, and perhaps should be discontinued. However, I feel the proper way to do it would be to allow the program to proceed as it has heretofore done, and then, if there is a desire for an overhaul of the program, have the administration come to Congress with a message outlining the necessity for a complete review, reappraisal, and revision of the program. Then the Congress, through its committees, could process that kind of request, and give it such new thrust as is deemed necessary, and also incorporate such innovations in the act as would be necessary to eliminate the less desirable practices?

This would enable the program to proceed on a firm foundation.

Mr. BELLMON. Mr. President, I agree Nebraska that this would be a wise course for our Government to follow. Certain features of the agricultural stabilization and conservation program sometime—perhaps now, perhaps sometime in the future—will have outlived their usefulness, although land ultimately will have been terraced and probably sometimes finished with other soil conservation measures, and therefore we would no longer need the funds for those programs and they should be stopped. But we cannot come in and suddenly chop off the entire program, without checking to see whether there is a great deal of important work to be done.

I agree that the Senator has the right approach, and I would support him if such an approach were attempted.

Mr. HRUSKA. I thank the Senator.

Mr. HOLLAND. I thank both Senators.

Mr. President, I want to supplement the statement so well made by the Senator from Nebraska by saying that there are other programs in this bill, not directly related to the support of farmers, which have not yet been mentioned, such as the food for peace program, Public Law 480, which is a very large program and makes up a very large part of this bill, and the school lunch program, another very important program in the local social field, just as the food stamp program, which has already been mentioned.

So that this measure, called the agricultural appropriation bill, as a matter of fact covers a great many things, some of which relate to our foreign policy, some to our domestic social policies, and some to other policies, which I shall not mention at this time because they are smaller.

I am grateful for the statements made by my distinguished friends.

Mr. President, I understand that the distinguished Senator from South Dakota wishes to discuss some phases of this report, and I shall be glad to yield the floor.

Mr. McGOVERN. Mr. President, I want to make a very brief statement and then ask for a short quorum call.

I had intended to discuss this matter with the Senator personally, but it was my understanding that this matter would not come up until later this afternoon. The Senator showed me the courtesy last night, just before the Senate adjourned, to inform me that the Senate conferees were unable to retain the \$1.75 billion authorized to be appropriated by the Senate for the food stamp program and had, in fact, agreed upon the House figure of \$1.25 billion. In other words, there was no compromise at all, as I understand it, between the House and the Senate.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. McGOVERN. I know that the Senator is going to comment on the \$170 million of unexpended funds, but that was already in the pipeline, and it seems to me to be irrelevant to the question of the action taken by the Senate earlier this year when we went on record, by

a clear margin, calling for the new funds in the amount of \$1.75 billion.

I knew at that time, as did the Senator from Florida and others, that some unexpended funds were in the pipeline, and that is true with most of these programs on which we are asked to vote on appropriations. But the fact remains that the \$170 million to which the Senator refers will have been spent by the end of this month and that we will have expended something in the neighborhood of \$725 million in the first 6 months of this year, which leaves something less than \$700 million for the remaining 6 months of the fiscal year.

The point I want to make to the Senator is that this allows for no expansion at all of the program. As a matter of fact, it will bring about a retrenchment in the program at a time when we should be expanding both the number of people participating in this program and the amounts that are made available for the various families which are participating.

So I want to serve notice on the Senator—I have had no chance to do this before now—that I intend to ask for a roll-call vote on this measure, reluctant as I am to do that, and ask the Senate to reject the conference report.

This has been my first chance to talk with the Senator. I had fully intended to come to the Chamber and see him privately about it, before this matter was brought up for debate.

Now I am happy to yield to the Senator.

Mr. HOLLAND. I thank the Senator for yielding.

In the first place, I think the Senator is mistaken in his conclusion that the \$170 million was in the pipeline. The \$170 million was not in the pipeline. It had to be appropriated before it got in the pipeline, and it was only appropriated when we passed the continuing resolution. This \$170 million was a remaining authorization from the earlier authorization bill. It was not in the pipeline; and funds had not been appropriated. If the Senator will refer to page 21 of the bill I will read lines 12 to 14 on page 21 of the bill:

Provided that this appropriation shall be available only within the limits of amounts authorized by law for fiscal year 1971.

The new authorization is still in question. The House has reported a bill, and I understand it will shortly debate that bill. I wish the subject would be disposed of when the bill in the House is passed, but it will not be, because the differences between the House and Senate versions of the Senate bill are various and are very great.

I am sure that the distinguished chairman of the Committee on Agriculture and Forestry, who will be chairman of the Senate conferees and, I suspect, chairman of the conference committee, will bear out my statement that the conference is not going to be a simple matter on the bills passed by the two Houses.

I want to say, another thing: As passed, we have made available not only the two items of \$300 million each, made available by the initiative of the Senator from Louisiana in offering emergency legislation which was passed by both

Houses, but also, we have reached back and appropriated the \$170 million of remaining authorization from last year.

We have also provided that in the event the authorization measure should be passed in an amount greater than \$1.420 billion—this is not stated in the report; I am simply stating this as a matter of conclusion, with which I am sure the Senator will agree—the last supplemental bill this year can handle that item; or, if the authorization bill is passed too late this year or not until next year, it may be handled in the first supplemental or in any supplemental bill next year, if the total authorization for fiscal 1971 is greater than \$1.420 billion. I do not know of any other way we could have proceeded which would expedite the passage of this bill.

I want to make it very plain that it was not immediately agreed to that the \$170 million should be added to the \$1.250 billion and that the \$1.420 billion represents not only \$170 million more than the budget but also that much more than what was in the House bill when it came over to the Senate. My own feeling is that this bill should be passed promptly. It contains other measures which are very important. I know of no other way in which we can bring immediately pressure to bear on the Bureau of the Budget, and that is where the pressure has got to be brought to bear on the ACP program because they have not yet announced that program. Here we are in December, the sixth month of this fiscal year and they still have not announced the program for 1971. This is the only way in which we can lawfully place the school lunch program at the levels adopted in the bill which passed the Senate not long ago. Somehow, the Budget Bureau, by some device unknown to me, has allowed the school lunch program—and I hope that their device is lawful and I am glad they proceeded with it—to come to the level of the bill that was passed. However, I do not think it can properly or regularly operate at that level until this particular bill is passed. It does finance expanded and enlarged school lunch programs in the way that I am sure the Senator from South Dakota and the rest of us want it to be enlarged and expanded.

So many other items in this bill are of such great importance that I shall not attempt to enumerate them. We have been holding in abeyance or holding up the whole operation of many large programs affecting our entire Nation, in the first instance, waiting for the passage of the farm bill, which passed a short while ago and was signed by the President, as I recall, on December 1, I am informed by my assistant. We are proceeding as rapidly as possible to get something done.

If the Senator wants to take upon himself the responsibility of jeopardizing the passage of appropriate legislation before our adjournment—and I am told on the floor today that it is the intention of the leadership to try to adjourn on the 18th of December—today being the 8th of December, and that is 10 days from now—why, of course, that is his privilege. He would be thoroughly within his rights in taking the step he has suggested.

But I hope that he will reexamine his position, because there are people in the conference just as much interested in the food stamp program as is he, and we felt that we had worked out the maximum program possible under the conditions existing.

I thank the Senator for yielding.

Mr. MCGOVERN. Mr. President, if I may reply briefly to that, I did not rise today to criticize the actions of the Senator from Florida or other Members of the Senate conference. What is disturbing to me is that it seems we are having a repeat here today of almost what happened on the agricultural conference, where practically everything that the Senate tried to accomplish in the way of a stronger agricultural bill was not only objected to on the House side, but they would not budge an inch in terms of making any concessions at all to the Senate conferees.

Now it is a fact that the Senate, by a rather clear margin, authorized to be appropriated \$1.75 billion in new funds for the food stamp program. We did that, acting under clear evidence that has been provided by the committees of the Senate, demonstrating that there are several million people in this country who are malnourished and who are not being covered by any kind of food assistance program.

I frankly cannot accept, without at least making a fight here this afternoon, what seems to be another case of the House's being unwilling to compromise in a reasonable way.

If the conferees had come back with a figure of \$1.5 or \$1.6 billion, or something in that area, one would have been more inclined to let it go by. But what I would suggest, based on the best evidence we can compile, is that we need a figure of at least \$1.65 billion just to keep the food stamp program expanding at its present rate.

I should like to read into the record a few monthly statistics on what has been happening in the program during the current fiscal year, so that we can get some measure of the kind of funds that will be necessary.

We started out in July with an expenditure in the food stamp program of around \$98 million. That was increased to \$102 million in August. It went up to \$116 million in September, \$123 million in October, \$127 million in November, and is projected at \$131 million for the current month.

Continuing that rate on through the rest of this year—and I think it is a modest rate of increase—we will be at an expenditure level on the food stamp program of around \$158 million a month by the end of this fiscal year—July 1971—which is roughly \$1.6 billion. If one adds the additional amount of \$60 million in additional emergency costs, we have the figure of \$1.65 billion.

It is my strong hope that we can reject the conference report and then, at the appropriate time, instruct the Senate conferees to go back for another conference and insist on an appropriation at least at the level of \$1.65 billion.

It is my intention to take that action at the appropriate time.

Mr. HOLLAND. Mr. President, the food

stamp program has been moving forward in the effort to take up \$770 million in 7 months, because that is all the authority it has had.

Mr. McGOVERN. That is correct.

Mr. HOLLAND. That would leave 5 months yet to be calculated for. If \$770 million, the total now available, would be used by January 31 next, and that amount should be stricken from the \$1.420 billion, it would leave, as the Senator can see, between \$600 and \$700 million available for the last 5 months of the program.

I do not see how, under any circumstances, there could be a prudent or reasonable enlargement of the program in those additional 5 months to come to the \$1.750 billion which was placed in the Senate version of the bill.

The conference committee—I just want to repeat this—placed in the bill every dime it felt could be reached, including not only the \$1.250 billion in the budget and in the House bill but also the \$170 million which we had reached back and picked up from the old authorization bill.

I merely restate this, because it happens to be so true. Even if the conference report on the food stamp authorization bill is hurried and is available to be passed before we get away from here, which I doubt very much now, knowing as I do the differences between the two bills, there is still no time for the deliberate consideration of what could be properly spent after January 31 of next year. And if there is passed an authorization big enough to add to the \$1,420,000,000, it can be added in the first supplemental bill, after the authorization is completed.

I do not know how the Senator could come to the conclusion that it would be advantageous to force delay of this bill, which is apparently what he is seeking to do, rather than waiting to see what the authorization bill will be and then to endeavor the most prompt and the most immediate remedial treatment that can be given to this program, after that authorization bill is passed.

Mr. McGOVERN. Mr. President, in view of his many conversations with Members of the other body, can the Senator from Florida shed any light, as to why almost 14 months after the Senate passed a very strong food stamp reform bill in September 1969, no action has been forthcoming on those reforms in the House of Representatives.

I am frankly frustrated almost to the point of despair as to what can be done to get these food programs moving. It seems to me that we have documented beyond any doubt in the minds of reasonable people that there are millions of hungry Americans, millions of malnourished Americans, that we are not meeting with our program. What is it going to take to get the Members of Congress to give the same kind of priority to this program that they do to some of these programs that carry a defense label? This a matter of national defense, too. It has to do with the health and strength of the American people.

I have almost reached my wits' end as to what we can do in the Senate to get

some action so that these reforms can move ahead. It seems to me that we are not doing very much to build a case when we acquiesce in a matter of this kind.

I realize that this is an uphill effort to try to recommit a conference report involving all the appropriations for a major department of the Government. But I do think that we ought to call the roll to demonstrate that there is opposition and impatience in the Senate when the steps we have taken in this field are constantly thwarted in the other body.

That does not preclude our making another effort next year in a supplemental bill, as the Senator from Florida has suggested. However, if he or the Senator from Louisiana can shed any light on why we run into this seemingly impossible barrier in the other body on food stamps, I would be glad to get the explanation.

Mr. HOLLAND. Mr. President, I will yield to the Senator from Louisiana in a moment. The Senator from Louisiana is better able to explain this than I because he has had so many more conferences with the House of Representatives than I have. However, I do want my distinguished friend to know two things. The first is that if we do not pass an appropriation bill, we would probably exacerbate the struggle we will have with the passage of that bill.

The second is that I happen to know of my own knowledge from my own infrequent conferences with the Members of the House that for many months it was planned there to couple with the farm bill then pending this food stamp bill. And the division of the two occurred long after the hearings had been underway on the farm bill.

Mr. President, I will yield to the Senator from Louisiana who knows much more about this subject than I and who, I should say, is responsible for passage of the two emergency resolutions which continued funds for the food stamp program. I am not responsible and the Senator from South Dakota is not responsible for the passage of the two helpful emergency measures which made available first \$300 million and then made available an additional \$300 million.

The Senator from Louisiana has been fighting for this program a long time. He knows all of the potential problems from his frequent contacts with the other end of the Capitol much more than I.

Mr. President, I yield to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I am very hopeful that the distinguished Senator from South Dakota will not press a vote on this matter. I think that the conferees have done all they can in order to obtain everything possible from the House. I have been trying very hard to get the House to act. I spoke to the chairman of the House Rules Committee a few days ago. The bill has finally been sent to the floor. I understand that this afternoon or tomorrow the bill will be up for debate and that it will require probably, I think, a debate of at least 2 hours. That is my understanding of the rule that was provided.

It seems to me that the Senator is making a big mistake in attempting to

delay this measure. Not only, as the Senator from Florida stated, is the food stamp proposal being jeopardized, but also the school lunch program is being placed in danger. We have added a lot to the school lunch program. If this report is set aside or delayed, the school-children will suffer.

I plead with the Senator not to oppose the adoption of the report. I give him assurances that just as soon as the House bill is enacted, we will go to conference. We have a bill pending now, a supplemental bill, and if we can get the conferees to get together before the Congress adjourns, we will have authority to increase the amount over what is now in the bill. But we have no authority to go further than we do in this particular bill.

Mr. McGOVERN. Mr. President, I think that the Senator from Louisiana knows that I am not criticizing any action he has taken on this matter. But I do continue to be puzzled by one strange situation that, it seems to me, has developed on this whole food assistance issue.

As I go around the country, I find general support on the part of the American people that we should put an end to hunger. I do not think there is a Member of the Senate that could really relax in the face of the certain knowledge that people—and especially little children—are suffering from malnutrition and hunger.

The Senator from Louisiana knows that every person in that condition, on a dollar and cents basis in the long run, will cost the country 3 or 4 times as much as it would cost to give them a decent diet. However, the Members of the House are theoretically, under our system, supposed to be more responsive to the public pressure in the country than are Members of the Senate.

I cannot understand why it has been so difficult over the past year and a half for us to get the kind of action in the other body that we have taken here time after time in trying to strengthen the food assistance program.

This is not criticism of the Senator from Louisiana. It is simply an effort to try to shed some light on what seems to me to have become an impasse between the two Houses.

Mr. ELLENDER. Mr. President, I understand. However, doing what the Senator is now suggesting will not assist in the matter at all.

Mr. McGOVERN. Is that the Senator's best judgment?

Mr. ELLENDER. That is my best judgment because we have provided all we can possibly obtain for the present under the authorization we have. If, perchance, the House does pass this bill, I think that we can go to conference immediately and come out with a bill and attach it to the pending supplemental bill. Hearings are now being held by the Senator from West Virginia (Mr. BYRD), and if the food stamp bill is enacted by the House tomorrow, we can go to conference and then have it authorized and go before the Committee on Appropriations, headed by the Senator from West

Virginia. We can likely obtain whatever is finally agreed upon by both Houses.

This, as I said, will provide the funds for this month and all of January. Otherwise we would be without authority to go along.

Mr. McGOVERN. Mr. President, can the Senator give assurance here to the best of his ability—not just to me, but to the millions interested in this program—that he will use his great leadership and influence to try to get the best possible food stamp reform bill, not just the money, but the kind of relief that the Senate wrote into its legislation in September 1969? Can the Senator assure us that he will do all in his power to see that those needed changes become part of the law?

Mr. ELLENDER. Of course, if the bill goes to conference, and I presume I will be on the conference committee, I will do all I can to carry out what the Senate votes on.

Mr. McGOVERN. As the Senator knows, I have great confidence in his ability.

Mr. ELLENDER. The probabilities are that the Senator will be on the conference and he can work on this matter also.

Mr. McGOVERN. There are two questions. First, there is the amount of money, and then, there are the desperate needed reforms on the structure of the program. I am not enthusiastic about pumping unlimited amounts of money into the food stamp structure we have now. We have too many flaws to be corrected than simply putting in more money. But on the basis of the assurance of the Senator that we can make an effective bite in cooperation with the House both in the structure of the program and to provide supplemental appropriations in a very short time to cover these needs, I would be inclined not to press for a rollcall vote here today but I think we should have a short quorum call so that Senators can be consulted.

Mr. ELLENDER. I assure the Senator I will do the best I can. As a matter of fact, I learned the bill will be taken up tomorrow. I am hopeful we can get the defense bill out of the way so I can proceed and get the conference as soon as possible.

Mr. HOLLAND. As far as the Senator from Florida is concerned, he would hope his distinguished chairman of the Committee on Agriculture and Forestry would make provision on the conference committee for the Senator from South Dakota, and the Senator from Florida is perfectly willing to relinquish his own post on that committee because he wants nothing less than the most that can be done to sustain programs the Senate voted. But he reiterates, and this is the main point, nothing you do to this bill today by way of putting it off does anything but hurt the programs that are put off. It does not help the food stamp program. I am willing to step off the conference committee in favor of the Senator from South Dakota if that would expedite the matter in any way. I say that to my distinguished chairman as a matter of trying to cooperate.

Mr. ELLENDER. I will see to it that the Senator is on the conference.

Mr. HOLLAND. I thank the Senator for his assurance.

Mr. McGOVERN. That was not my purpose in rising but I do appreciate the statement of the Senator.

Mr. ELLENDER. Mr. President, if this is postponed, it postpones action on money necessary to run the school lunch program.

Mr. HOLLAND. Another program that would be jeopardized is the Public Law 480 program. It can be financed but in the event of a shortage of funds it would have to be financed out of CCC funds, which would do nothing but cripple the agricultural program of the Nation. So many points can be made in favor of clearing this bill immediately. Anything that holds up the conference report does nothing but hurt the various programs contained in this conference report.

I think the Senator understands that and agrees with it.

Mr. McGOVERN. I appreciate the Senator's argument but as I indicated earlier, before I make a final decision about withdrawing the original suggestion I made for a rollcall vote on this matter, I would like to discuss the matter with the senior Senator from New York who is the ranking minority member of the Committee on Nutrition and Human Needs, and others who have been very much concerned about this problem.

Mr. President, I ask unanimous consent that the remarks I had prepared for today be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR McGOVERN

Nearly two years ago, in 1968, the Senate of the United States created the Senate Select Committee on Nutrition and Human Needs. We did so because a majority of the Senate had for the first time become aware of the strong probability that hunger was a more serious problem in America than we had realized. No Senator could really accept even the suspicion that many of his fellow citizens and especially little children might be suffering from malnutrition when we are all so well-fed. So we created a committee to learn the facts.

The facts were established. Fifteen million Americans were hungry in 1968, as nearly as we could estimate on the basis of the best available evidence. And the Senate responded by passing a Food Stamp reform bill in September of 1969 to end this tragic and needless suffering. We also authorized to be appropriated \$1.75 billion to finance a better anti-hunger effort.

But for reasons too confusing for me to understand, our brothers in the other body of this Congress have not acted to reform the food assistance program. Furthermore, they authorized appropriations at only \$1.25 billion—a half billion dollars below the Senate appropriations. And I learned last night through the courtesy of Senator Holland and Senator Ellender, that the House conferees refused to compromise even to the extent of \$1. They said either take \$1.25 billion or we will not agree to sign the conference document. And so, believing this to be the best figure possible, the conferees of the Senate acquiesced.

I am saddened, shocked, and puzzled by this action of the Conference. I have spent a restless night pondering on what could be done.

I have concluded that I must consider voting to reject the Conference Report so that we can seek a better remedy for the

cries of the hungry in our land. We may have to reject this conference and urge our brothers in the other body to agree to appropriate the funds that are actually needed for the program this year. I have carefully and conservatively estimated the cost of the program for this fiscal year as \$1.65 billion. This estimate is based on an average monthly increase of 3%. This is a conservative estimate because the actual average increase in the program through the first six months of this year has been 8%. An appropriation of \$1.65 billion would permit several million more persons to join the food stamp program and keep us moving toward our immediate goal of 15 million citizens.

We can remind our friends in the other body that last week, the Senate saved the Nation \$290 million in the next fiscal year by striking this amount for the SST. This goes most of the way toward providing the \$400 million which I suggest the House add to its present food appropriation of \$1.25 billion in order to meet the real need of \$1.65 billion. Several million hungry Americans depend on it.

Mr. JAVITS. Mr. President, I understand the subject of the debate. There are many cases in which you have to "break eggs" to get a result. I know the Senator is not concerned about the fact that we are often told in connection with bills that, "If you do not do this you will lose everything." Sometimes Senators have to run that risk.

What makes me sympathetic to the question put to the Senator from Louisiana (Mr. ELLENDER) is, first, his high character. He does not give assurances unless he is going to deliver to the best of his ability. Second, there will be an opportunity for a supplemental and this is not the end of the road for us. Therefore, we do have to take seriously what is said here—that, if we go so far and can go no further, then the entire matter will be jeopardized. But if you go so far and it would be possible to go further, and there is an assurance such as the Senator from Louisiana (Mr. ELLENDER) has given, that is a different matter.

I am sympathetic to the attitude the Senator has taken and I, too, would welcome the opportunity to discuss the matter.

Mr. HOLLAND. Mr. President, before the Senator requests or suggests the absence of a quorum, I wish to bring up one point. In this bill there is a substantial increase which would go into effect at once in connection with food nutrition generally. The amount provided, I am told by the clerk, is \$48.5 million additional for the employment of nutrition aides to teach, assist, and disseminate information regarding proper nutritional habits in the buying and preparation of food. That total amount has not been able to be utilized and will not be until this bill is passed. There are other increases affecting nutrition in this bill which go into effect as soon as the President signs it. Any holdup in the bill will also jeopardize them. I have not suggested we are risking everything by putting this off. I am stating that every program in this bill is delayed by the failure to approve the conference report which has been approved by the House and which has been awaiting approval since July 9 when we passed our bill; and I hate to think of an additional delay being caused by doing something I think

does not help at all in untying the real Gordian knot, and that is getting an authorization for the food stamp program, which is the real problem ahead of us.

I have already offered before the Senator came to the Chamber to withdraw from the conference, so far as I am concerned, if the Senator from Louisiana wishes me to, in favor of the Senator from South Dakota, who I believe is the junior member on our side of the Committee on Agriculture and Forestry. I do not think I could do any more than that so that his views may be heard in conference.

Mr. HOLLINGS. Mr. President, does the Senator from Florida yield?

Mr. HOLLAND. I do not have the floor.

Mr. HOLLINGS. Mr. President, I think that I would like to confer with the Senator from New York and the Senator from South Dakota, but the distinguished Senator from Florida should not lose sight of the fact that the conference report is woefully inadequate in view of the facts and experience.

I take, as an example, the city of New York. For a time, in the beginning, all one had to do to get on welfare was to file his own statement. Anyone who applied could get \$2,000 or \$3,000 in benefits, but in order to get \$200 or \$300 in food stamp bonuses you had to stand in a long line, come back and stand in another long line, and usually it took on the average of 2 or 3 days just to fill out the forms.

Then, in September in New York they said that those on welfare could by a similar statement go into the food stamp program and in 1 month they put 400,000 persons on the food stamp program in New York.

Since January South Carolina has added 100,000 people to the food stamp program. As of the beginning of September the 8.2 million figure of the Department of Agriculture only brought home the actual facts that two-thirds of those who are eligible for food stamps have received them. Mr. President, you cannot belie the facts.

You can have cost overruns with the military and make settlements and agreements with corporations, but somehow when the human element is involved the overrun is disregarded. You never want to provide.

The Department of Agriculture shows that we were expending in the month of October—and that was the only official figure—at the rate of \$100 million in excess of what has been provided for in food stamp authorization. This appropriation bill will only provide for only 2 months.

But if we are going to get an authorization bill that provides adequately for the food stamp program, we have to do substantially better.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. HOLLAND. I certainly do not in any respect contradict any of the statements of the Senator from South Carolina. I just want him to understand, however, that the real problem here is the passage of a food stamp authorization bill, and there is going to be the real problem, because no more money can be

made available, no matter how great the need may be, until we have an authorization program that is substantially larger than that which now exists.

The point that I have made over and over again—and I know it to be true—is that nothing we can do here by way of holding up these other programs, every one of which has some importance, and some of them have great importance, will hasten the completion of a large food stamp authorization bill. That is the real problem. That is the problem the Senator should be addressing himself to, and all of us should address ourselves to. It is a problem I have tried to address myself to in offering to withdraw from the Agriculture-Forestry conferees in favor of the Senator from South Dakota, so that he might have the assurance that his views would be completely understood by all conferees. But what is suggested now—to put off this long overdue appropriation for many vital programs—simply hurts all those vital programs. It does not unravel the real knot, which is, How do we get a good food stamp authorization bill, with the differences between the House bill, ready to be considered now, and the Senate bill, which was passed last year?

My own feeling is that we have just got to put that first. That is the real problem. We have to get a food stamp authorization bill. We do not make progress toward that end, nor do anything else, I think, but irritate the conferees on the other side, by holding up programs which the whole Nation needs and wants, and which the Senate is for, and which the Senator from Florida is for, and which every Senator is for, because we have all voted for them. That is what we do when we postpone adoption of this conference report.

I think the Senator from Louisiana a while ago spoke words of great wisdom when he called attention to the fact that just as soon as the House passes the food stamp bill, today, tomorrow, or whenever they pass it, we will go into conference. It is in that conference that the problems are to be resolved. There is going to be a supplemental bill passed probably the last day we are in session. There will be a new supplemental bill in January or February, after Congress convenes.

The point the Senator from Louisiana made is that any enlargement of any food stamp bill reflected in a better or a bigger authorization bill can go into either the last supplemental bill of this session or the first supplemental bill of the next session. But in the meanwhile why hold up all the other programs that are involved in this conference report—school lunch, Public Law 480, and various other programs which are encompassed within the bill? For example, better staffing of insecticide laboratories is included. We provide for five insecticide laboratories which are not completed. I happen to know of one in my own State, which was completed in January 1969, and which is not yet staffed—at a time when we are talking about pollution and the great effect upon pollution problems of knowledge, use, and control of better insecticides. All these and many others are in this conference report.

The point is, let us get on with this

bill and at the same time let us get on with the adoption of a better authorization bill. What we do here may worsen rather than help speed work toward an authorization bill which will more nearly meet views of the Senator from South Carolina and the vast majority of Senators present.

Mr. HOLLINGS. Mr. President, no one wants to be an obstructionist and no one wants to hold up other programs to force upon others the will of a minority, but we have not had our view felt and certainly we have not taken a realistic approach, toward feeding the hungry. So when the Senator speaks of the importance of staffing insecticide laboratories, he really tempts me. If I could hold up anything for the hungry I would certainly hold up staffing insecticide laboratories. I would willingly vote on that question in the Senate. But we should not promise our action in the context of House maneuvering and politics in the closing days of the session. I have not taken care of the problem. The President of the United States, on December 29, said that he was going to make certain that every needy and hungry child in America was going to receive a low-cost lunch by Thanksgiving. Thanksgiving has gone by and nothing has been done. Why? Because we put our attention on insecticide laboratories, Public Law 480, commodity surpluses, and all the other facets of agriculture, to the detriment of the fundamental problem underlying our society.

I am trying to get the attention of the Senate, and the attention of Members of the House particularly. It may be that the Senator from South Dakota and the Senator from New York are right that this may be the only way to do it. If the Senator thinks we can come back and get an appropriation in 60 days, that is fine, but let us not call this a good or realistic bill in light of the needs of this country.

Mr. McGOVERN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER. The clerk will state the amendment in disagreement.

The assistant legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 3 to the aforesaid bill, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert "\$4,580,000".

Mr. HOLLAND. Mr. President, I move that the Senate concur in the amendment of the House of Representatives to Senate amendment No. 3.

The motion was agreed to.

Mr. HOLLAND. Mr. President, I ask unanimous consent to have printed in the Record a table reflecting the con-

ference amounts for all of the food assistance programs administered by the Department of Agriculture. This table

also shows the amount of increase over the 1970 level for each of the individual programs.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE—FOOD ASSISTANCE PROGRAM

[Program level dollars in thousands]

Program	Fiscal year 1969	Fiscal year 1970 ¹	Fiscal year 1971 budget estimate ²	Fiscal year 1971 House bill	Fiscal year 1971 Senate bill	Fiscal year 1971 conference action	Conference action (+ or -) 1970
A. Child nutrition program:							
1. Cash grants to States:							
(a) School lunch (sec. 4).....	\$162,034	\$168,041	\$225,000	\$169,721	\$225,000	\$225,000	+\$56,959
(b) Free and reduced price lunches.....	54,000	134,800	356,400	200,000	356,400	356,400	+221,600
(c) School breakfast.....	3,500	12,000	15,000	15,000	15,000	15,000	+3,000
(d) Nonfood assistance.....	748	15,000	15,000	17,500	15,000	15,000	-----
(e) State administrative expenses.....	153	2,750	3,500	2,750	3,500	3,500	+750
(f) Nonschool food program.....	* 3,244	* 13,572	* 12,000	* 15,000	* 12,000	* 12,000	-1,572
(g) Nutrition training and surveys.....			750		750	750	+750
Total, cash grants.....	223,679	346,163	627,650	419,971	627,650	627,650	+281,487
2. Commodities to States.....	292,107	230,205	264,465	264,465	264,465	264,465	+34,260
3. Federal operating expenses.....	3,995	5,282	6,442	5,542	6,442	6,442	+1,160
Total, child nutrition program.....	519,781	581,650	898,557	689,978	898,557	898,557	+316,907
B. Special milk program:							
1. Milk (direct appropriation).....	102,048	83,814	-----	103,314	103,314	103,314	+19,500
2. Special sec. 32 funds used for milk program.....		20,000	-----				-20,000
3. Administrative expenses.....	629	686	-----	686	686	686	-----
Total, special milk program.....	102,677	104,000	-----	104,000	104,000	104,000	-500
Total, child nutrition and special milk programs.....	622,458	685,650	898,557	793,978	1,002,557	1,002,557	+316,907
C. Family feeding program:							
1. Food stamp program.....	250,981	610,000	1,250,000	1,250,000	1,750,000	1,420,000	+810,000
2. Direct distribution to families:							
(a) Section 32 commodities.....	192,668	182,015	160,300	160,300	160,300	160,300	-21,715
(b) Financial assistance to States.....	4,154	16,000	19,700	19,700	19,700	19,700	+3,700
(c) Federal direct operation at local level.....	1,300	2,318	-----	-----	-----	-----	-2,318
(d) Section 416.....	79,278	61,942	92,745	92,745	92,745	92,745	+30,803
Total, direct distribution to families.....	277,400	262,275	272,745	272,745	272,745	272,745	+10,470
3. Nutrition supplement.....	8,317	33,000	40,000	40,000	40,000	40,000	+7,000
Total, family feeding.....	536,698	905,275	1,562,745	1,562,745	2,062,745	1,732,745	+1,830,027
D. Direct distribution to institutions.....	32,227	12,889	26,416	26,416	26,416	26,416	+13,527
E. Nutrition education program.....	9,948	30,000	50,230	50,230	50,230	50,230	+20,230
Total, food assistance program.....	1,201,332	1,633,814	* 2,537,948	2,433,369	3,141,948	2,811,948	+1,178,134

¹ Reflects approval of Public Law 91-207 (Mar. 12, 1970) to provide additional funds for child nutrition program.

² Includes budget amendment of \$216,579,000 submitted to the Congress on July 1, 1970, too late to be considered by the House.

³ Excludes balances carried forward to succeeding year.

Mr. HOLLAND. Mr. President, I also ask unanimous consent that a comparative statement on appropriations showing the new budget obligational authority for fiscal 1970, with comparisons for

fiscal 1971 in the budget, in the House bill, in the Senate bill, and the amount agreed by the conferees for each appropriation item in the agricultural appro-

priation bill be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARATIVE STATEMENT OF CONFEEE RECOMMENDATIONS AND NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1970, BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE HOUSE AND SENATE BILLS FOR 1971

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and title	New budget (obligational) authority enacted to date, fiscal 1970 ¹	Budget estimates of new (obligational) authority, fiscal year 1971	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	New budget (obligational) authority recommended by conferees	Increase (+) or decrease (—) conferee recommendations compared with—			
						1970	1971 budget	1971 House bill	1971 Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TITLE I—GENERAL ACTIVITIES									
Agricultural Research Service:									
Salaries and expenses:									
Research:									
Direct appropriation.....	\$142,886,200	\$141,437,200	\$146,143,200	\$160,446,200	\$151,633,000	+\$8,746,800	+\$10,195,800	+\$5,489,800	—\$8,813,200
Transfer from sec. 32.....	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(-----)	(-----)	(-----)	(-----)
Total, research.....	(157,886,200)	(156,437,200)	(161,143,200)	(175,446,200)	(166,633,000)	(+8,746,800)	(+10,195,800)	(+5,489,800)	(—8,813,200)
Plant and animal disease and pest control.....	97,393,750	98,763,750	98,619,750	99,369,750	98,619,750	+1,226,000	—144,000	-----	—750,000
Special fund (reappropriation)....	2,000,000	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	—2,000,000	-----	-----	-----
Total, salaries and expenses....	242,279,950	240,200,950	244,762,950	259,815,950	250,252,750	+7,972,800	+10,051,800	+5,489,800	—9,563,200
Salaries and expenses (special foreign currency program).....	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	-----	-----	-----	-----
Total, Agricultural Research Service..	247,279,950	245,200,950	249,762,950	264,815,950	255,252,750	+7,972,800	+10,051,800	+5,489,800	—9,563,200
Cooperative State Research Service: Pay- ments and expenses.....									
	62,640,000	72,535,000	65,076,000	69,826,000	68,476,000	+5,836,000	—4,059,000	+3,400,000	—1,350,000

Footnotes at end of table.

COMPARATIVE STATEMENT OF CONFSREE RECOMMENDATIONS AND NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1970,
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE HOUSE AND SENATE BILLS FOR 1971—Continued

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and title (1)	New budget (obligational) authority enacted to date, fiscal 1970 (2)	Budget estimates of new (obligational) authority, fiscal year 1971 (3)	New budget (obligational) authority recommended in House bill (4)	New budget (obligational) authority recommended in Senate bill (5)	New budget (obligational) authority recommended by conferees (6)	Increase (+) or decrease (—) Conferee recommendations compared with—			
						1970 (7)	1971 budget (8)	1973 House bill (9)	1971 Senate bill (10)
Extension Service:									
Payments to States and Puerto Rico	\$114,006,000	\$150,431,000	\$140,031,000	\$150,431,000	\$140,031,000	+\$26,025,000	-\$10,400,000		-\$10,400,000
Retirement and employees' compensation for extension agents	10,240,000	13,515,000	13,515,000	12,932,600	12,932,600	+2,692,600	-582,400	-\$582,400	
Penalty mail	3,400,000	3,617,000	3,617,000	3,617,000	3,617,000	+217,000			
Federal Extension Service	4,088,000	4,228,000	4,188,000	4,188,000	4,188,000	+100,000	-40,000		
Total, Extension Service	131,734,000	171,791,000	161,351,000	171,168,600	160,768,600	+29,034,600	-11,022,400	-582,400	-10,400,000
Farmer Cooperative Service: Salaries and expenses	1,648,000	1,689,000	1,649,000	1,684,000	1,684,000	+36,000	-5,000	+35,000	
Soil Conservation Service:									
Conservation operations	131,736,000	128,467,000	128,557,000	128,457,000	128,507,000	-3,229,000	+40,000	-50,000	+50,000
River basin surveys and investigations	8,839,000	9,043,000	9,043,000	9,043,000	9,043,000	+204,000			
Watershed planning	6,750,000	5,434,000	6,698,000	5,434,000	6,066,000	-684,000	+632,000	-632,000	+632,000
Watershed works of improvement	66,232,000	74,278,000	74,278,000	76,000,000	76,000,000	+9,668,000	+1,722,000	+1,722,000	
Flood prevention	24,738,000	21,037,000	21,037,000	21,037,000	21,037,000	-3,701,000			
Great Plains conservation program	15,417,000	15,355,000	15,355,000	16,355,000	15,855,000	+438,000	+500,000	+500,000	-500,000
Resource conservation and development	10,825,000	13,876,000	13,876,000	14,676,000	14,276,000	+3,451,000	+400,000	+400,000	-400,000
Total, Soil Conservation Service	264,637,000	267,490,000	268,844,000	271,002,000	270,784,000	+6,147,000	+3,294,000	+1,940,000	-218,000
Economic Research Service: Salaries and expenses	14,962,000	16,228,000	14,592,000	16,228,000	14,926,000	-36,000	-1,302,000	+334,000	-1,302,000
Statistical Reporting Service: Salaries and expenses	16,892,800	17,749,800	17,716,800	17,874,800	17,796,800	+904,000	+47,000	+80,000	-78,000
Consumer and Marketing Service:									
Consumer protective, marketing, and regulatory programs	137,957,500	149,247,000	149,247,000	159,247,000	149,247,000	+11,289,500			10,000,000
Payments to States and possessions	1,600,000	1,600,000	1,600,000	1,750,000	1,675,000	+75,000	+75,000	+75,000	-75,000
Total, Consumer and Marketing Service	139,557,500	150,847,000	150,847,000	160,997,000	150,922,000	+11,364,500	+75,000	+75,000	-10,075,000
Food and Nutrition Service:									
Special milk program	84,000,000		104,000,000	104,000,000	104,000,000	+20,000,000	+104,000,000		
Child nutrition programs:									
Direct appropriation	122,500,000	301,974,000	90,395,000	301,974,000	301,974,000	+179,474,000		+211,579,000	
Transfer from sec. 32	(194,266,000)	(238,358,000)	(238,358,000)	(238,350,000)	(238,358,000)	(+44,092,000)			
Total, child nutrition programs	3 (316,766,000)	(540,332,000)	4 (328,753,000)	(540,332,000)	(540,332,000)	(+223,566,000)		(+211,579,000)	
Food stamp program	596,963,000	1,250,000,000	1,250,000,000	1,750,000,000	1,420,000,000	823,037,000	+170,000,000	+170,000,000	-330,000,000
Total, Food and Nutrition Service	803,463,000	1,551,974,000	1,444,395,000	2,155,974,000	1,825,974,000	+1,022,511,000	+274,000,000	+381,579,000	-330,000,000
Foreign Agricultural Service:									
Salaries and expenses	23,562,000	24,773,000	24,023,000	24,773,000	24,273,000	+711,000	-500,000	+250,000	-500,000
Transfer from sec. 32	(3,117,000)	(3,117,000)	(3,117,000)	(3,117,000)	(3,117,000)				
Total, Foreign Agricultural Service	(26,679,000)	(27,890,000)	(27,140,000)	(27,890,000)	(27,390,000)	(+711,000)	(-500,000)	(+250,000)	(-500,000)
Commodity Exchange Authority: Salaries and expenses	2,491,000	2,552,000	2,552,000	2,552,000	2,552,000	+61,000			
Agricultural Stabilization and Conservation Service:									
Expenses, ASCS:									
Direct appropriation	153,000,000	135,466,000	152,690,000	150,000,000	150,000,000	-3,000,000	+14,534,000	-2,690,000	
Transfer from CCC	(63,782,000)	(68,779,000)	(68,779,000)	(68,779,000)	(68,779,000)	(+4,997,000)			
Total, expenses, ASCS	(216,782,000)	(204,245,000)	(221,469,000)	(218,779,000)	(218,779,000)	(+1,997,000)	(+14,534,000)	(-2,690,000)	
Sugar Act program	93,000,000	83,600,000	83,600,000	83,600,000	83,600,000	-9,400,000			
Agricultural conservation program:									
Advance authorization (contract authorization)	195,500,000		195,500,000	190,000,000	195,500,000		+195,500,000		5,500,000
Liquidation of contract authorization	(195,500,000)	(185,000,000)	(185,000,000)	(185,000,000)	(185,000,000)	(-10,500,000)			
Cropland adjustment program	77,200,000	77,800,000	77,800,000	77,800,000	77,800,000	+600,000	37,250		
Conservation reserve program	37,250,000					-36,650,000			
Emergency conservation measures	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000				
Indemnity payments to dairy farmers	200,000			500,000	250,000	+50,000	+250,000	+250,000	-250,000
Total, Agricultural Stabilization and Conservation Service	561,150,000	301,866,000	514,590,000	506,900,000	512,150,000	+49,000,000	+210,284,000	-2,440,000	+5,250,000
Rural Community Development Service:									
Salaries and expenses	450,000		230,000			-450,000		-230,000	
Office of the Inspector General: Salaries and expenses	15,069,000	15,846,000	15,378,000	12,412,000	12,412,000	-2,657,000	-3,434,000	-2,966,000	
Packers and Stockyards Administration: Salaries and expenses	3,508,650	3,748,000	3,508,650	3,748,000	3,588,650	+80,000	-159,350	+80,000	-159,350
Office of the General Counsel: Salaries and expenses	5,656,500	5,657,000	5,657,000	5,657,000	5,657,000	+500			
Office of Information: Salaries and expenses	2,297,000	2,256,000	2,256,000	2,256,000	2,256,000	-41,000			
National Agricultural Library:									
Salaries and expenses	3,446,750	3,914,750	3,614,750	3,914,750	3,764,750	+318,000	-150,000	+150,000	-150,000
Library facilities		800,000					-800,000		
Total, National Agricultural Library	3,446,750	4,714,750	3,614,750	3,914,750	3,764,750	+318,000	-950,000	+150,000	-150,000

Footnotes at end of table.

COMPARATIVE STATEMENT OF CONFSREE RECOMMENDATIONS AND NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1970,
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE HOUSE AND SENATE BILLS FOR 1971—Continued

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

Agency and title (1)	New budget (obligational) authority enacted to date, fiscal 1970 ¹ (2)	Budget estimates of new (obligational) authority, fiscal year 1971 (3)	New budget (obligational) authority recommended in House bill (4)	New budget (obligational) authority recommended in Senate bill (5)	New budget (obligational) authority recommended by conferees (6)	Increase (+) or decrease (—) Conferee recommendations compared with—			
						1970 (7)	1971 budget (8)	1973 House bill (9)	1971 Senate bill (10)
TITLE I—GENERAL ACTIVITIES—Cont.									
Office of Management Services: Salaries and expenses.....	\$3,274,000	\$3,518,000	\$3,384,000	\$3,459,000	\$3,459,000	+\$185,000	—\$59,000	+\$75,000	-----
General administration: Salaries and expenses.....	5,263,000	6,041,000	5,559,000	6,058,000	6,058,000	+795,000	+17,000	+499,000	-----
Total, title I, general activities.....	2,308,982,150	2,866,476,500	2,954,986,150	3,701,300,100	3,342,754,550	+1,033,772,400	+476,278,050	+387,768,400	—\$358,545,550
TITLE II—CREDIT AGENCIES									
Rural Electrification Administration:									
Loan authorizations:									
Electrification.....	340,000,000	322,000,000	322,000,000	352,000,000	337,000,000	—3,000,000	+15,000,000	+15,000,000	—15,000,000
Telephone.....	123,300,000	123,800,000	123,800,000	138,800,000	128,800,000	+5,500,000	+5,000,000	+5,000,000	—10,000,000
Contingency reserve.....	-----	-----	20,000,000	-----	-----	-----	-----	—20,000,000	-----
Total, loans (authorization to spend debt receipts).....	463,300,000	445,800,000	465,800,000	490,800,000	465,800,000	+2,500,000	+20,000,000	-----	—25,000,000
Salaries and expenses.....	14,834,000	14,623,000	14,613,000	14,896,000	14,613,000	—221,000	—10,000	-----	—283,000
Total, Rural Electrification Administration.....	478,134,000	460,423,000	480,413,000	505,696,000	480,413,000	+2,279,000	—19,990,000	-----	—25,283,000
Farmers Home Administration:									
Direct loan account:									
Real estate loans.....	(83,000,000)	(45,500,000)	(83,000,000)	(123,000,000)	(103,000,000)	(+20,000,000)	(+57,500,000)	(+20,000,000)	(—20,000,000)
Operating loans.....	(275,000,000)	(275,000,000)	(275,000,000)	(275,000,000)	(275,000,000)	-----	-----	-----	-----
Soil conservation loans.....	(8,700,000)	(6,400,000)	(8,700,000)	(8,700,000)	(8,700,000)	-----	(+2,300,000)	-----	-----
Total, direct loan account.....	(366,700,000)	(326,900,000)	(366,700,000)	(406,700,000)	(386,700,000)	(+20,000,000)	(+59,800,000)	(+20,000,000)	(—20,000,000)
Rural housing:									
Insurance fund.....	(30,000,000)	(19,000,000)	(30,000,000)	(19,000,000)	(19,000,000)	(—11,000,000)	-----	(—11,000,000)	-----
Direct appropriation.....	-----	334,000	334,000	334,000	334,000	+334,000	-----	-----	-----
Emergency credit revolving fund.....	31,918,000	-----	-----	-----	-----	—31,918,000	-----	-----	-----
Rural water and waste disposal grants.....	46,000,000	24,000,000	100,000,000	100,000,000	100,000,000	+54,000,000	+76,000,000	-----	-----
Rural housing for domestic farm labor.....	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	-----	-----	-----	-----
Mutual and self-help housing.....	2,125,000	1,250,000	2,125,000	775,000	775,000	—1,350,000	—475,000	—1,350,000	-----
Self-help housing land development fund.....	1,000,000	600,000	1,000,000	400,000	400,000	—600,000	—200,000	—600,000	-----
Salaries and expenses:									
Direct appropriation.....	71,450,000	85,091,000	81,150,000	87,250,000	86,000,000	+14,550,000	+909,000	+4,850,000	—1,250,000
Transfer from agricultural credit insurance fund.....	(2,250,000)	(2,250,000)	(3,250,000)	(2,250,000)	(2,250,000)	-----	-----	(—1,000,000)	-----
Miscellaneous transfer.....	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	-----	-----	-----	-----
Total, salaries and expenses.....	(74,200,000)	(87,841,000)	(84,900,000)	(90,000,000)	(88,750,000)	(+14,550,000)	(+909,000)	(+3,850,000)	(—1,250,000)
Total, Farmers Home Administration.....	154,993,000	113,775,000	187,109,000	191,259,000	190,009,000	+35,016,000	+76,234,000	+2,900,000	—1,250,000
Total, title II, credit agencies.....	633,127,000	574,198,000	667,522,000	696,955,000	670,422,000	+37,295,000	+96,224,000	+2,900,000	—26,533,000
TITLE III—CORPORATIONS									
Federal Crop Insurance Corporation:									
Appropriation.....	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	-----	-----	-----	-----
Premium income.....	(2,339,000)	(2,335,000)	(2,335,000)	(2,335,000)	(2,335,000)	(—4,000)	-----	-----	-----
Total, administrative and operating expenses.....	(14,339,000)	(14,335,000)	(14,335,000)	(14,335,000)	(14,335,000)	(—4,000)	-----	-----	-----
Subscription to capital stock.....	10,000,000	-----	-----	-----	-----	—10,000,000	-----	-----	-----
Total, Federal Crop Insurance Corporation.....	22,000,000	12,000,000	12,000,000	12,000,000	12,000,000	—10,000,000	-----	-----	-----
Commodity Credit Corporation:									
Reimbursement for net realized losses:									
Appropriation.....	4,198,237,000	3,363,155,000	3,113,155,000	3,363,155,000	3,363,155,000	—835,082,000	-----	+250,000,000	-----
Liquidation of contract authority.....	(1,017,697,000)	-----	-----	-----	-----	(—1,017,697,000)	-----	-----	-----
Total appropriation.....	(5,215,934,000)	(3,363,155,000)	(3,113,155,000)	(3,363,155,000)	(3,363,155,000)	(—1,852,779,000)	-----	(+250,000,000)	-----
Limitation on administrative expenses.....	(32,000,000)	(36,500,000)	(36,500,000)	(36,500,000)	(36,500,000)	(+4,500,000)	-----	-----	-----
Public Law 480:									
Sales, title I.....	420,000,000	526,100,000	411,100,000	411,100,000	411,100,000	—8,900,000	—115,000,000	-----	-----
Donations, title II.....	500,000,000	406,400,000	291,400,000	291,400,000	291,400,000	—208,600,000	—115,000,000	-----	-----
Total, Public Law 480.....	920,000,000	932,500,000	702,500,000	702,500,000	702,500,000	—217,500,000	—230,000,000	-----	-----
Bartered materials for supplemental stockpile.....	1,250,000	25,000	25,000	25,000	25,000	—1,225,000	-----	-----	-----
Total, new budget (obligational) authority, title III, Corporations.....	5,141,487,000	4,307,680,000	3,827,680,000	4,077,680,000	4,077,680,000	—1,063,807,000	—230,000,000	+250,000,000	-----
TITLE IV—RELATED AGENCIES									
Farm Credit Administration: Limitation on administrative expenses.....	(3,839,000)	(4,226,000)	(4,054,000)	(4,226,000)	(4,204,000)	(+365,000)	(—22,000)	(+150,000)	(—22,000)

Footnotes at end of table.

COMPARATIVE STATEMENT OF CONFREE RECOMMENDATIONS AND NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1970,
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE HOUSE AND SENATE BILLS FOR 1971—Continued

[Note—All amounts are in the form of "appropriations" unless otherwise indicated]

[Amounts in dollars]

Agency and title (1)	New budget (obligational) authority enacted to date, fiscal 1970 ¹ (2)	Budget estimates of new (obligational) authority, fiscal year 1971 (3)	New budget (obligational) authority recommended in House bill (4)	New budget (obligational) authority recommended in Senate bill (5)	New budget (obligational) authority recommended by conferees (6)	Increase (+) or decrease (—) Conferee recommendations compared with—			
						1970 (7)	1971 budget (8)	1973 House bill (9)	1971 Senate bill (10)
RECAPITULATION									
Title I: General activities.....	2,308,982,150	2,866,476,500	2,954,986,150	3,701,300,100	3,342,754,550	+1,033,772,400	+476,278,050	+387,768,400	—358,545,550
Title II: Credit agencies.....	633,127,000	574,198,000	667,522,000	696,955,000	670,422,000	+37,295,000	+96,224,000	+2,900,000	—26,533,000
Title III: Corporations.....	5,141,487,000	4,307,680,000	3,827,680,000	4,077,680,000	4,077,680,000	—1,063,807,000	—230,000,000	+250,000,000	—
Title IV: Related agencies.....	(3,839,000)	(4,226,100)	(4,054,000)	(4,226,000)	(4,204,000)	(+365,000)	(—22,000)	(+150,000)	(—22,000)
Total, New budget (obligational) authority ²	8,083,596,150	7,748,354,500	7,450,188,150	8,475,935,100	8,090,856,550	+7,260,400	+342,502,050	+640,668,400	—385,078,550
Consisting of—									
1. Appropriations.....	7,422,796,150	7,302,554,500	6,788,888,150	7,795,135,100	7,429,556,550	+6,760,400	+127,002,050	+640,668,400	—365,578,550
2. Reappropriations.....	2,000,000	—	—	—	—	—2,000,000	—	—	—
3. Contract authorizations.....	195,500,000	—	195,500,000	190,000,000	195,500,000	—	+195,500,000	—	+5,500,000
4. Authorizations to spend from debt receipts.....	463,300,000	445,800,000	465,800,000	490,800,000	465,800,000	+2,500,000	+20,000,000	—	—25,000,000
Memoranda:									
1. Appropriations to liqui- date contract author- izations.....	1,213,197,000	185,000,000	185,000,000	185,000,000	185,000,000	—1,028,197,000	—	—	—
2. Appropriations, includ- ing appropriations to liquidate contract au- thority.....	8,635,993,150	7,487,554,500	6,973,888,150	7,980,135,100	7,614,556,550	—1,021,436,600	+127,002,050	+640,668,400	—365,578,550
3. Transfers from sec. 32.....	212,383,000	256,475,000	256,475,000	256,475,000	256,475,000	+44,092,000	—	—	—
4. Transfer from CCC.....	63,782,000	68,779,000	68,779,000	68,779,000	68,779,000	+4,997,000	—	—	—
Total, new budget (obligational) au- thority.....	8,083,596,150	7,748,354,500	7,450,188,150	8,475,935,100	8,090,856,550	+7,260,400	+342,502,050	+640,668,400	—385,078,550
Less: Loan repayments, Rural Electrification Ad- ministration ³	156,600,000	167,300,000	167,300,000	167,300,000	167,300,000	+10,700,000	—	—	—
Net total, new budget (ob- ligational) authority.....	7,926,996,150	7,581,054,500	7,282,888,150	8,308,635,100	7,923,556,550	—3,439,600	+342,502,050	+640,668,400	—385,078,550

¹ Includes adjustments for transfers authorized in the indefinite portion of the 2d Supplemental Appropriation Act for financing increased pay costs under Public Law 91-231.² An additional \$100,000,000 was provided in the 1970 Appropriation Act from sec. 32, permanent appropriation, which included \$20,000,000 for special milk.³ A n additional \$30,000,000 was provided by Public Law 91-207, approved Mar. 12, 1970, from sec. 32, permanent appropriation.⁴ A budget amendment for an additional \$216,579,000 was submitted directly to the Senate.⁵ In addition, \$3,434,000 is available by transfer from food stamp appropriation.⁶ In addition, there is permanent indefinite contract authority (budget authority established

under basic law) of \$440,756,000 in the 1971 budget and Senate bill, and \$690,756,000 in the House bill. For fiscal year 1970 none is required.

⁷ Note—Does not include interest receipts under the Rural Electrification Administration estimated at \$116,100,000 in 1970 and \$119,300,000 in 1971 that are covered into miscellaneous receipts of the Treasury.⁸ Deducting REA loan repayments from these totals has the effect of converting these figures to a basis comparable with the treatment of all other major loan programs in the Federal budget. Other loan programs operated through revolving funds net loan repayments against budget outlays, whereas REA loan repayments are covered into miscellaneous receipts of the Treasury.

Mr. HOLLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HOLLAND. Has full action now been completed upon the conference report, and all of the amendments reported in disagreement?

The PRESIDING OFFICER. The Senator is correct.

Mr. HOLLAND. I move that the Senate reconsider the action by which it has agreed to the conference report and concurred in the amendment in disagreement.

Mr. FULBRIGHT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DEPARTMENT OF DEFENSE
APPROPRIATIONS, 1971

The Senate resumed the consideration of the bill (H.R. 19590) making appropriations for the Department of Defense for the fiscal year ending June 30, 1971, and for other purposes.

The PRESIDING OFFICER (Mr. GOLDWATER). The question is on agreeing to the amendment of the Senator from

Arkansas to the bill (H.R. 19590) making appropriations for the Department of Defense for the fiscal year ending June 30, 1971, and for other purposes.

Mr. FULBRIGHT. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. FULBRIGHT. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. FULBRIGHT. Mr. President, before we proceed to further consideration of the substance of the amendment, I want to say a few words in commendation of the distinguished acting chairman of the Armed Services Committee.

It is my understanding that the language in this bill prohibiting the use of Defense Department funds to pay for Vietnamese or Thai operations in support of the Cambodian or Laotian Government. It is my understanding that this provision was not in the House bill, but it is in the Senate bill; is that correct?

Mr. ELLENDER. That is correct.

Mr. FULBRIGHT. I congratulate the Senator. I am very pleased indeed that the committee has put that provision in the bill, and I hope very much that in

conference the Senator will be able to retain it, because it is my understanding, judging from the attitude of Members of the House of Representatives, that they are not very sympathetic to it.

Again, the Cooper-Church amendment of last year prohibiting the sending of ground troops into Laos and Thailand has been expanded to include Cambodia, if I understand the bill correctly; is that not correct?

Mr. ELLENDER. That is correct.

Mr. FULBRIGHT. Again, I think the Senator and the committee ought to be commended for following the clear and express intent of the Senate in this respect.

I believe the committee also eliminated the \$30-million item in the House bill for the International Fighter, another matter which has been debated at considerable length in the Senate; is that not correct?

Mr. ELLENDER. That is correct.

Mr. FULBRIGHT. And the committee retained the Mansfield amendment of last year, the language requiring Department of Defense research to be relevant to a military function?

Mr. FULBRIGHT. This was restored in the bill?

Mr. ELLENDER. It is in the bill.

Mr. FULBRIGHT. Mr. President, these are all actions for which I think the Senator from Louisiana deserves great credit and the commendation of the Senate, because he has done a very good job in all these instances in retaining what I believe to be the majority opinion of the Senate itself.

Mr. President, reverting now to the substance of my own amendment to illustrate one of the points I made earlier—I regret that on this bill, which involves more than \$66 billion, when the distinguished chairman presented it and when I offered an amendment, I counted the Senators present, and there were five.

It seems that whenever we have a bill involving as much as \$66 billion, we can usually expect to have about five Senators listening to the presentation of the chairman. If it is a bill involving only a little item like \$290 million for the SST, I think on that we had 70 Senators present, all intensely interested, as though it involved the whole Treasury of the United States. But the bigger the bill, the less attention is given to it. That has been a standing tradition in both the House of Representatives and the Senate. I remember in the House once we passed what was in those days the largest bill ever passed, which was, back in the 1940's, in the amount of \$30 billion; and I believe it passed in approximately 20 minutes, as I recall, without debate. So this is nothing new, in either the House or the Senate, and it is certainly no reflection upon the chairman of the committee. He presented a very good statement and, as I have said, I approve of most of the things he has done with this measure, with this one exception as to public relations.

Mr. President, I have here an illustration of just how far the Defense Department goes in brainwashing the American people in the guise of an information program.

This is a film catalog of the Army's "Big Picture" series, issued in the fall of 1969. The catalog is 32-plus pages long. Judging from the numbers, I estimate there are some 400 films or television programs listed. These do not even show up in the regular public relations budget for which the committee is allowing \$30 million. These are the types of things that are made for what they call "internal information," and are allocated and paid for from funds for internal information programs. Yet, on the very first page it is quite clear that these are made not only for that but also for public distribution. I will read one paragraph contained in "General Information":

Routine distribution of "The Big Picture" is divided into two main phases—primary showings and secondary showings."

Primary showings are made to members of the Army through the Command Information Program at each installation—

They are a captive audience. They have to look at the films—

At the same time, primary showings are seen over television stations throughout the U.S., and Armed Forces television outlets overseas. These stations present the series as a public service offering each week for the

Armed Forces and the American public. To provide adequate distribution, films are rotated among the stations using the series.

Following these primary showings, secondary showings are then available. Included in secondary showings are additional Army unit desiring films for use in Command Information Programs, civilian schools, public groups and professional and civic organizations.

In other words, here is a vast education program—paid for by the funds in this bill for internal information programs—designed to persuade the people of the United States to certain points of view, especially about foreign policy questions.

I submit, as I have said many times in the past, that it is not the responsibility of the military to educate the citizens of this country about highly controversial political matters. Yet, this is done. No other facility in the United States is comparable in extent and cost to this.

I read just a few of the types of films they have in this one series. These are very short synopses prepared by the Army about their own films. This is one:

TV 736: Vietnam Crucible. "Vietnam Crucible" is a report to the American soldier of Army activities in Vietnam. This Big Picture presentation portrays the civilian as well as the military situation in the Republic of Vietnam.

Many of the films are devoted to Vietnam, but some do not seem to be about anything that has any direct relation to the military.

Here are some others:

TV 705: The Army's First Infantry Division routs the terror and suffering imposed by the Viet Cong on the citizens of a Vietnamese village.

TV 695: A nation builds. Introduced by Vice President Hubert H. Humphrey and narrated by film star John Wayne, this film traces the dramatic efforts of the people of Vietnam who are struggling to build a nation under the fire of Communism.

Here is a report of the U.S. Army in South America helping the people of Bolivia and Peru. In view of what has happened in Peru, I wonder whether these films are having the desired effect in Peru.

A report of the United States Army in South America, helping the people of Bolivia and Peru map the peaks at the roof of the world and training their special forces units in guerrilla warfare.

And more:

TV 681: The Army in Taiwan. The advice, assistance and training given the armed forces of Taiwan by the United States Army is reported in graphic detail.

TV 680: The Unique War. The story of the American soldier's struggle to build a nation at the grass roots level—the two faces of the war in Vietnam, narrated by Glenn Ford.

Apparently, many use Hollywood talent to present a case which in many instances should be, I think, entirely outside the jurisdiction and responsibility of the military.

The committee has included in the bill the provision that research projects must be relevant to a military purpose, and I congratulate them for doing that. I submit that many of these information or

public relations affairs have no direct relation to the military, except the function of obtaining more money from Congress for the purpose of financing whatever program they are interested in.

TV 676: The New First Team. This film dramatically portrays the long and proud battle record of a unit which has made the transition from horse cavalry to sky cavalry.

That is a most important project. Here it is 1969, and a TV film shows the transition from horse cavalry to sky cavalry. I wonder what military purpose that serves.

These are available not just for the military but also to any civic club or any high school. The catalog tells you how to telephone the local office, and you can get any of these films free of charge.

Here is another one, TV 675, entitled "Your Military Neighbor." This is their description:

TV 675: Your Military Neighbor. The Army is often called upon to assist the civilian community during times of emergency. "Your Military Neighbor" is the story of this assistance and the soldier who is active in the affairs of the community.

TV 674: Vietnam Report. This film explains why Americans are in Vietnam and how the American fighting man is dedicated to helping the free people of Vietnam to protect their freedom.

Mr. President, this reminds me of a film which has been much discussed in recent years, entitled "Why Vietnam?", a different film from any of those I mentioned. This description reads:

Outlines U.S. policy with respect to Vietnam as stated to the Nation.

I mention this film because it completely distorts the facts as to how we got into this war. I want to call attention to it now because, apparently, we are about to become involved in Cambodia in much the same way as we became involved in Vietnam.

The point is that the films are all made with Government money, paid for by the taxpayers, for the purpose of what they call informing, but I would call it the brainwashing of the American people about many of our Government's policies.

The USIA is specifically forbidden to brainwash the American people. The USIA makes films of many things but they are restricted for use only in foreign countries. I am not sure that I approve of a lot the USIA does, but as long as they are only misleading foreign people about our policies, that is one thing, but for us to finance our own departments to mislead the American people, I believe is the height of idiocy. I do not think we should allow them to do.

These films are made in the Pentagon and distributed throughout the United States free of charge—that is, free to the recipient, but not free to the taxpayers. They disguise this operation by calling it "troop information." Well if it is troop information, why does the pamphlet say these are all available to civic clubs and high schools or to anyone else who wants them, and free of charge?

Also, they urge television stations to use them and many of the smaller ones like to use them as fillers. What they



Public Law 91-566
91st Congress, H. R. 17923
December 22, 1970

An Act

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes; namely:

Department of
Agriculture and
Related
Agencies
Appropriation
Act of 1971.

DEPARTMENT OF AGRICULTURE

TITLE I—GENERAL ACTIVITIES

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

For expenses necessary to perform agricultural research relating to production, utilization, marketing, nutrition and consumer use, to control and eradicate pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work: *Provided*, That appropriations hereunder shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed two for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$25,000, except for six buildings to be constructed or improved at a cost not to exceed \$55,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$7,500 or 7.5 per centum of the cost of the building, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to a total of \$100,000 for facilities at Beltsville, Maryland: *Provided further*, That the limitations on construction contained in this Act shall not apply to a total of \$350,000 for construction of a post-mortem and incinerator facility for animal disease and parasite research:

84 STAT. 1480

84 STAT. 1481

58 Stat. 742.

80 Stat. 416.

Research: For research and demonstrations on the production and utilization of agricultural products; agricultural marketing and distribution, not otherwise provided for; home economics or nutrition and consumer use of agricultural and associated products; and related research and services; and for acquisition of land by donation, exchange, or purchase at a nominal cost not to exceed \$100; \$151,633,000, and in addition not to exceed \$15,000,000 from funds available under section 32 of the Act of August 24, 1935, pursuant to Public Law 88-250 shall be transferred to and merged with this appropriation, except that \$200,000 of the foregoing amount shall be available for matching with funds utilized for research on cottonseed proteins under Public Law 89-502, and \$4,580,000 shall remain available until expended for plans, construction, and improvement of facilities without regard to limitations contained herein: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to

49 Stat. 774.

7 USC 612c.

77 Stat. 820.

80 Stat. 279.

7 USC 210l.

- 62 Stat. 198. carry out the Act of April 24, 1948 (21 U.S.C. 113a): *Provided further*. That none of the funds appropriated in this Act shall be used to formulate a budget estimate for fiscal 1972 of more than \$15,000,000 for research to be financed by transfer from funds available under section 32 of the Act of August 24, 1935. and pursuant to Public Law 88-250: *Provided further*. That none of the funds appropriated in this Act shall be used to formulate a budget estimate for fiscal 1972 of less than the amount required to conduct the pesticides research program as authorized pursuant to Public Laws 88-573 and 89-316;
- 49 Stat. 774.
7 USC 612c.
77 Stat. 820.
- 78 Stat. 862.
79 Stat. 1165.
84 STAT. 1481
84 STAT. 1482
- 61 Stat. 7;
80 Stat. 330.
31 USC 665.
- Plant and animal disease and pest control: For operations and measures, not otherwise provided for, to control and eradicate pests and plant and animal diseases and for carrying out assigned inspection, quarantine, and regulatory activities, as authorized by law, including expenses pursuant to the Act of February 28, 1947, as amended (21 U.S.C. 114b-c), \$98,619,750, of which \$1,500,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects, plant diseases and animal diseases to the extent necessary to meet emergency conditions: *Provided*. That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by any State of at least 40 per centum: *Provided further*. That, in addition, in emergencies which threaten the livestock or poultry industries of the country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, and for expenses in accordance with the Act of February 28, 1947, as amended, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts:
- Special fund: To provide for additional labor, subprofessional and junior scientific help to be employed under contracts and cooperative agreements to strengthen the work at research installations in the field, not more than \$2,000,000 of the amount appropriated under this head for the previous fiscal year may be used by the Administrator of the Agricultural Research Service in departmental research programs in the current fiscal year, the amount so used to be transferred to and merged with the appropriation otherwise available under "Salaries and expenses, Research".

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

- For payments, in foreign currencies owed to or owned by the United States for market development research authorized by section 104 (b) (1) and for agricultural and forestry research and other functions related thereto authorized by section 104(b) (3) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b) (1), (3)), \$5,000,000, to remain available until expended: *Provided*. That this appropriation shall be available, in addition to other appropriations for these purposes, for payments in the foregoing currencies: *Provided further*. That funds appropriated herein shall be used for payments in such foreign currencies as the Department determines are needed and can be used most effectively to carry
- 80 Stat. 1529.

out the purposes of this paragraph: *Provided further*, That not to exceed \$25,000 of this appropriation shall be available for payments in foreign currencies for expenses of employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), as amended by 5 U.S.C. 3109.

58 Stat. 742.

80 Stat. 416.

COOPERATIVE STATE RESEARCH SERVICE

84 STAT. 1482

84 STAT. 1483

PAYMENTS AND EXPENSES

For payments to agricultural experiment stations, for grants for cooperative forestry and other research, for facilities, and for other expenses, including \$61,390,000 to carry into effect the provisions of the Hatch Act, approved March 2, 1887, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a-361i), including administration by the United States Department of Agriculture; \$4,412,000 for grants for cooperative forestry research under the Act approved October 10, 1962 (16 U.S.C. 582a-582a-7), \$2,000,000, in addition to funds otherwise available for contracts and grants for scientific research under the Act of August 4, 1965 (7 U.S.C. 450i), of which \$1,000,000 shall be for the special cotton research program and \$400,000 for soybean research; \$160,000 for penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended; and \$514,000 for necessary expenses of the Cooperative State Research Service, including administration of payments to State agricultural experiment stations, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 for employment under 5 U.S.C. 3109; in all, \$68,476,000.

69 Stat. 671.

76 Stat. 806.

79 Stat. 431.

69 Stat. 673.

7 USC 361f.

EXTENSION SERVICE

COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

Payments to States and Puerto Rico: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, and the Act of October 5, 1962 (7 U.S.C. 341-349), to be distributed under sections 3(b) and 3(c) of the Act, \$89,321,000; payments for the nutrition education program for low-income areas under section 3(d) of the Act, \$48,560,000; payments and contracts for such work under section 204(b)-205 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623-1624), \$1,450,000; and payments for extension work under section 109 of the District of Columbia Public Education Act, as amended by the Act of June 20, 1968 (7 U.S.C. 329), \$700,000; in all, \$140,031,000: *Provided*, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, shall not be paid to any State or Puerto Rico prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

67 Stat. 83.

69 Stat. 683.

76 Stat. 745.

60 Stat. 1089.

82 Stat. 241.

D.C. Code

31-1609.

Retirement and employees' compensation costs for extension agents: For cost of employer's share of Federal retirement and for reimbursement for benefits paid from the Employees' Compensation Fund for cooperative extension employees, \$12,932,600.

Penalty mail: For costs of penalty mail for cooperative extension agents and State extension directors, \$3,617,000.

Federal Extension Service: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, and the Act of October 5, 1962 (7 U.S.C. 341-349), and extension

84 STAT. 1484

60 Stat. 1087.

82 Stat. 241.

D.C. Code
31-1609.

aspects of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and of the District of Columbia Public Education Act, as amended by the Act of June 20, 1968 (7 U.S.C. 329), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, \$4,188,000.

FARMER COOPERATIVE SERVICE

SALARIES AND EXPENSES

44 Stat. 802.

For necessary expenses to carry out the Act of July 2, 1926 (7 U.S.C. 451-457), and for conducting research relating to the economic and marketing aspects of farmer cooperatives, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), \$1,684,000.

SOIL CONSERVATION SERVICE

CONSERVATION OPERATIONS

49 Stat. 163.

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; purchase and erection or alteration of permanent buildings; and operation and maintenance of aircraft, \$128,507,000, with which shall be merged the unexpended balance of funds appropriated for the previous fiscal year under this head: *Provided*, That Public Law 40, Eighty-fourth Congress, making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1956, and for other purposes, is hereby amended by striking out the period following the last proviso in the section entitled "Flood Prevention", substituting a comma and adding the following: "and where the Army does have jurisdiction and responsibility, may enter into agreements with the Army to carry out jointly the measures heretofore set out and in areas where the Secretary is authorized to purchase land rights for structural measures, the Secretary in lieu of such acquisition, may reimburse local organizations for such proportionate share of the cost of land rights furnished by local organizations as the Secretary deems equitable in consideration of the national interest.": *Provided further*, That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$2,500, except for one building to be constructed at a cost not to exceed \$25,000 and eight buildings to be constructed or improved at a cost not to exceed \$15,000 per building and except that alterations or improvements to other existing permanent buildings costing \$2,500 or more may be made in any fiscal year in an amount not to exceed \$500 per building: *Provided further*, That no part of this appropriation shall be available for the construction of any such building on land not owned by the Government: *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16

69 Stat. 54.
33 USC 701f-3.

U.S.C. 590a-590f) in demonstration projects: *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the service.

49 Stat. 163.

58 Stat. 742.

80 Stat. 416.

RIVER BASIN SURVEYS AND INVESTIGATIONS

For necessary expenses to conduct research, investigations and surveys of the watersheds of rivers and other waterways, in accordance with section 6 of the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1006), to remain available until expended; \$9,043,000, with which shall be merged the unexpended balances of funds heretofore appropriated to the Department for river basin survey purposes: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$60,000 shall be available for employment under 5 U.S.C. 3109.

68 Stat. 668.

WATERSHED PLANNING

For necessary expenses for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1001-1008), to remain available until expended, \$6,066,000, with which shall be merged the unexpended balances of funds heretofore appropriated under this head: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109.

WATERSHED WORKS OF IMPROVEMENT

For necessary expenses to carry out preventive measures, including, but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1001-1005, 1007-1008), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590 a-f), to remain available until expended; \$76,000,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection purposes: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That \$5,000,000 of the funds in the direct loan account of the Farmers Home Administration shall be available until expended for loans.

FLOOD PREVENTION

For necessary expenses, in accordance with the Flood Control Act, approved June 22, 1936 (33 U.S.C. 701-709, 16 U.S.C. 1006a), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to perform works of improvement, including funds for field employment pursuant to

49 Stat. 1570.

70 Stat. 1090;

74 Stat. 131.

84 STAT. 1486

58 Stat. 742.

80 Stat. 416.

the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 for employment under 5 U.S.C. 3109, to remain available until expended; \$21,037,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: *Provided*, That \$400,000 of funds in the direct loan account of the Farmers Home Administration shall be available until expended for loans.

GREAT PLAINS CONSERVATION PROGRAM

70 Stat. 1115;

83 Stat. 194.

For necessary expenses to carry into effect a program of conservation in the Great Plains area, pursuant to section 16(b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956 (16 U.S.C. 590p), \$15,855,000, to remain available until expended.

RESOURCE CONSERVATION AND DEVELOPMENT

Ante, p. 439.

49 Stat. 163.

75 Stat. 307;

82 Stat. 770.

For necessary expenses in planning and carrying out projects for resource conservation and development, and for sound land use, pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1011; 76 Stat. 607), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), \$14,276,000, to remain available until expended: *Provided*, That \$3,300,000 of the funds available in the direct loan account of the Farmers Home Administration shall be available for loans under subtitle A of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1922-1929), and section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1011(e)), to remain available until expended: *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109.

ECONOMIC RESEARCH SERVICE

SALARIES AND EXPENSES

60 Stat. 1087.

For necessary expenses of the Economic Research Service in conducting economic research and service relating to agricultural production, marketing, and distribution, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and other laws, including economics of marketing; analyses relating to farm prices, income and population, and demand for farm products, use of resources in agriculture, adjustments, costs and returns in farming, and farm finance; and for analyses of supply and demand for farm products in foreign countries and their effect on prospects for United States exports, progress in economic development and its relation to sales of farm products, assembly and analysis of agricultural trade statistics and analysis of international financial and monetary programs and policies as they affect the competitive position of United States farm products; \$14,926,000: *Provided*, That not less than \$350,000 of the funds contained in this appropriation shall be available to continue to gather statistics and conduct a special study on the price spread between the farmer and consumer: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C.

2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That not less than \$145,000 of the funds contained in this appropriation shall be available for analysis of statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis.

58 Stat. 742.

80 Stat. 416.

STATISTICAL REPORTING SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Statistical Reporting Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, and marketing surveys, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, \$17,796,800: *Provided*, That no part of the funds herein appropriated shall be available for any expense incident to publishing estimates of apple production for other than the commercial crop: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$40,000 shall be available for employment under 5 U.S.C. 3109.

60 Stat. 1087.

CONSUMER AND MARKETING SERVICE

CONSUMER PROTECTIVE, MARKETING, AND REGULATORY PROGRAMS

For expenses necessary to carry on services related to consumer protection, agricultural marketing and distribution, and regulatory programs, other than Packers and Stockyards Act, as authorized by law, and for administration and coordination of payments to States; including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 for employment under 5 U.S.C. 3109; \$149,247,000: *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed \$7,500 or 7.5 per centum of the cost of the building, whichever is greater.

42 Stat. 159.

7 USC 181.

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), \$1,675,000.

REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES

(SECTION 32)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for (1) transfers to the Department of the Interior as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; (3) not more than \$3,084,000 for formulation and

49 Stat. 774.

70 Stat. 1119.

16 USC 742a
note.

50 Stat. 246.
7 USC 674
note.
75 Stat. 294.
7 USC 1911
note.

administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and the Agricultural Act of 1961; and (4) in addition to other amounts provided in this Act, not more than \$186,058,000 (including not to exceed \$2,000,000 for State administrative expenses) for (a) child feeding programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended; and (b) additional direct distribution or other programs, without regard to whether such area is under the food stamp program or a system of direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly or through a State or local welfare agency, an adequate diet to other needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food.

FOOD AND NUTRITION SERVICE

SPECIAL MILK PROGRAM

Ante, p. 336.

For necessary expenses to carry out the provisions of the Special Milk Program, as authorized by section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772), \$104,000,000: *Provided*, That this appropriation shall be available only within the limits of amounts authorized by law for fiscal year 1971.

CHILD NUTRITION PROGRAMS

60 Stat. 230;
Ante, p. 213.
Ante, p. 207.
Ante, p. 336.

49 Stat. 774.

76 Stat. 944;
Ante, p. 208.
42 USC 1752.
60 Stat. 231.
42 USC 1754.
49 Stat. 774.

58 Stat. 742.
80 Stat. 416.

For necessary expenses to carry out the provisions of the National School Lunch Act, as amended (42 U.S.C. 1751-1761); Public Law 91-248 and the applicable provisions other than section 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C. 1773-1785); Public Law 91-248, \$476,007,000, of which \$174,033,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): *Provided*. That of the foregoing total amount there shall be available \$204,747,000 for special assistance to needy schoolchildren, \$12,000,000 for the school breakfast program, \$15,000,000 for the nonfood assistance program, \$1,500,000 for State administrative expenses, and \$12,000,000 for special food service programs for children: *Provided further*. That funds provided herein shall remain available until expended in accordance with section 3 of the National School Lunch Act, as amended: *Provided further*, That no part of this appropriation shall be used for nonfood assistance under section 5 of the National School Lunch Act, as amended: *Provided further*. That an additional \$64,325,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act, as amended: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109.

FOOD STAMP PROGRAM

78 Stat. 703;
81 Stat. 228.
7 USC 2011
note.

For necessary expenses of the food stamp program pursuant to the Food Stamp Act of 1964, as amended, \$1,420,000,000: *Provided*, That

this appropriation shall be available only within the limits of amounts authorized by law for fiscal year 1971.

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$35,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), \$24,273,000: *Provided*, That not less than \$255,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further*, That, in addition, not to exceed \$3,117,000 of the funds appropriated by section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c), shall be merged with this appropriation and shall be available for all expenses of the Foreign Agricultural Service.

68 Stat. 908.

70 Stat. 1034.

49 Stat. 774.

COMMODITY EXCHANGE AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry into effect the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1-17b), \$2,552,000.

42 Stat. 998;

49 Stat. 1491;

82 Stat. 26.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

EXPENSES, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

For necessary administrative expenses of the Agricultural Stabilization and Conservation Service, including expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393); Sugar Act of 1948, as amended (7 U.S.C. 1101-1161); sections 7 to 15, 16(a), 16(d), 16(e), 16(f), 16(i), and 17 of the Soil Conservation and Domestic Allotment Act, as amended (16 U.S.C. 590g-590q); subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816); and laws pertaining to the Commodity Credit Corporation, \$150,000,000: *Provided*, That, in addition, not to exceed \$68,779,000 may be transferred to and merged with this appropriation from the Commodity Credit Corporation fund (including not to exceed \$30,228,000 under the limitation on Commodity Credit Corporation administrative expenses): *Provided further*, That other funds made available to the Agricultural Stabilization and Conservation Service for authorized activities may be advanced to and merged with this appropriation: *Provided further*, That no part of the funds appropriated or made available under this Act shall be used (1) to influence the vote in any referendum; (2) to influence agricultural legislation, except as permitted in 18 U.S.C. 1913; or (3) for salaries or other expenses of members of county and community committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, for engaging in any activities other than

52 Stat. 38.

61 Stat. 922;

79 Stat. 1271.

49 Stat. 1148.

70 Stat. 191;

73 Stat. 552;

79 Stat. 1206.

62 Stat. 792.

52 Stat. 31.

16 USC 590h.

advisory and supervisory duties and delegated program functions prescribed in administrative regulations.

SUGAR ACT PROGRAM

61 Stat. 922;
79 Stat. 1271.

For necessary expenses to carry into effect the provisions of the Sugar Act of 1948 (7 U.S.C. 1011-1161), \$83,600,000, to remain available until June 30 of the next succeeding fiscal year.

AGRICULTURAL CONSERVATION PROGRAM

49 Stat. 1148.

82 Stat. 639.
83 Stat. 244.

49 Stat. 1148.
16 USC 590g-
590q.

For necessary expenses to carry into effect the program authorized in section 7 to 15, 16(a) and 17 of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U.S.C. 590g-590o, 590p(a), and 590q), including not to exceed \$15,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States, \$185,000,000, to remain available until December 31 of the next succeeding fiscal year for compliance with the programs of soil-building and soil- and water-conserving practices authorized under this head in the Department of Agriculture and related Agencies Appropriation Acts, 1969 and 1970, carried out during the period July 1, 1968, to December 31, 1970, inclusive: *Provided*, That none of the funds herein appropriated shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That no portion of the funds for the current year's program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetland Types 3(III), 4(IV), and 5(V) in United States Department of the Interior, Fish and Wildlife Circular 39, Wetlands of the United States, 1956: *Provided further*, That necessary amounts shall be available for administrative expenses in connection with the formulation and administration of the 1971 program of soil-building and soil- and water-conserving practices, including related wildlife conserving practices and pollution abatement practices, under the Act of February 29, 1936, as amended (amounting to \$195,500,000, excluding administration, except that no participant shall receive more than \$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community): *Provided further*, That not to exceed 5 per centum of the allocation for the current year's agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the current year's program, \$2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-

terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels.

53 Stat. 1147;
54 Stat. 767.
5 USC 1501-
1508 notes,
7324-7327
notes.
62 Stat. 792.

CROPLAND ADJUSTMENT PROGRAM

For necessary expenses to carry into effect a cropland adjustment program as authorized by the Food and Agriculture Act of 1965 (7 U.S.C. 1838), \$77,800,000.

79 Stat. 1206;
82 Stat. 996.

EMERGENCY CONSERVATION MEASURES

For emergency conservation measures, to be used for the same purposes and subject to the same conditions as funds appropriated under this head in the Third Supplemental Appropriation Act, 1957, to remain available until expended, \$5,000,000, with which shall be merged the unexpended balances of funds heretofore appropriated for emergency conservation measures.

71 Stat. 176.

INDEMNITY PAYMENTS TO DAIRY FARMERS

For necessary expenses involved in making payments to dairy farmers who have been directed to remove their milk from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, \$250,000: *Provided*, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of his willful failure to follow procedures prescribed by the Federal Government.

OFFICE OF THE INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$10,000 for employment under 5 U.S.C. 3109, \$12,412,000, and in addition, \$3,434,000 shall be derived by transfer from appropriation, "Food Stamp Program" and merged with this appropriation.

58 Stat. 742.
80 Stat. 416.

PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for administration of the Packers and Stockyards Act, as authorized by law, including field employment

42 Stat. 159.
7 USC 181.

58 Stat. 742.
80 Stat. 416.

pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 for employment under 5 U.S.C. 3109, \$3,588,650.

OFFICE OF THE GENERAL COUNSEL

SALARIES AND EXPENSES

For necessary expenses, including payment of fees or dues for the use of law libraries by attorneys in the field service, \$5,657,000.

OFFICE OF INFORMATION

SALARIES AND EXPENSES

34 Stat. 690.

82 Stat. 1265.
44 USC 1301.

58 Stat. 742.
80 Stat. 416.

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, \$2,256,000, of which total appropriation not to exceed \$612,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be available to be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U.S.C. 417), and not less than two hundred and thirty-two thousand two hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by section 73 of the Act of January 12, 1895 (44 U.S.C. 241): *Provided*, That in the preparation of motion pictures or exhibits by the Department, this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$10,000 shall be available for employment under 5 U.S.C. 3109.

NATIONAL AGRICULTURAL LIBRARY

SALARIES AND EXPENSES

For necessary expenses of the National Agricultural Library, \$3,764,750: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$35,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That not to exceed \$100,000 shall be available pursuant to 7 U.S.C. 2250 for the alteration and repair of buildings and improvements.

OFFICE OF MANAGEMENT SERVICES

SALARIES AND EXPENSES

For necessary expenses to enable the Office of Management Services to provide management support services to selected agencies and offices of the Department of Agriculture, \$3,459,000.

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of Agriculture and for general administration of the Department of Agriculture,

repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, and not to exceed \$5,000 for employment under 5 U.S.C. 3109, \$6,058,000: *Provided*, That this appropriation shall be reimbursed from applicable appropriations for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558: *Provided further*, That not to exceed \$2,500 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary.

80 Stat. 416.

80 Stat. 381;
81 Stat. 54.

TITLE II—CREDIT AGENCIES

RURAL ELECTRIFICATION ADMINISTRATION

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-924), as follows:

49 Stat. 1363;
63 Stat. 948.

LOAN AUTHORIZATION

For loans in accordance with said Act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3(a) of said Act, and to remain available without fiscal year limitation in accordance with section 3(e) of said Act, as follows: rural electrification program, \$337,000,000, and rural telephone program, \$128,800,000.

7 USC 907.

61 Stat. 546.
7 USC 903.

SALARIES AND EXPENSES

For administrative expenses, including not to exceed \$500 for financial and credit reports, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$150,000 for employment under 5 U.S.C. 3109, \$14,613,000.

58 Stat. 742.

FARMERS HOME ADMINISTRATION

DIRECT LOAN ACCOUNT

Direct loans and advances under subtitles A and B, and advances under section 335(a) for which funds are not otherwise available, of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1921), as amended, may be made from funds available in the Farmers Home Administration direct loan account as follows: real estate loans, \$103,000,000, and operating loans, \$275,000,000.

75 Stat. 307,
315.

RURAL HOUSING INSURANCE FUND

For direct loans and related advances pursuant to section 517(m) of the Housing Act of 1949, as amended, \$19,000,000 shall be available from funds in the rural housing insurance fund. Hereafter, farmer applicants for direct or insured rural housing loans shall be required to provide only such collateral security as is required of owners of nonfarm tracts.

83 Stat. 399.
42 USC 1487.

For an additional amount for the rural housing insurance fund, as authorized by section 521(c) of the Housing Act of 1949 (42 U.S.C. 1490a(c)), \$334,000.

82 Stat. 551.

84 STAT. 1494

RURAL WATER AND WASTE DISPOSAL GRANTS

For grants pursuant to sections 306(a)(2) and 306(a)(6) of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1926), \$100,000,000.

79 Stat. 931;
82 Stat. 770.

RURAL HOUSING FOR DOMESTIC FARM LABOR

For financial assistance to public nonprofit organizations for housing for domestic farm labor, pursuant to section 516 of the Housing Act of 1949, as amended (42 U.S.C. 1486), \$2,500,000, to remain available until expended.

78 Stat. 797.

MUTUAL AND SELF-HELP HOUSING

For grants pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), \$775,000, to remain available until expended.

82 Stat. 553.

SELF-HELP HOUSING LAND DEVELOPMENT FUND

For direct loans pursuant to section 523(b)(1)(B) of the Housing Act of 1949 (42 U.S.C. 1490c) and related advances, \$400,000, to remain available until expended.

SALARIES AND EXPENSES

For necessary expenses of the Farmers Home Administration, not otherwise provided for, in administering the programs authorized by the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1921-1991), as amended, title V of the Housing Act of 1949, as amended (42 U.S.C. 1471-1490c, 83 Stat. 399), the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444), and for carrying out the responsibilities of the Secretary of Agriculture under sections 235 and 236 of the National Housing Act, as amended (12 U.S.C. 1715z-1715z-1), and section 701 of the Housing Act of 1954, as amended (40 U.S.C. 461), \$86,000,000, together with not more than \$2,250,000 of the charges collected in connection with the insurance of loans as authorized by section 309(e) of the Consolidated Farmers Home Administration Act of 1961, as amended, and sections 514(b)(3) and 517(i) of the Housing Act of 1949, as amended, of which not more than \$250,000 shall be available for the administration of Public Law 91-229: *Provided*, That, in addition, not to exceed \$500,000 of the funds available for the various programs administered by this agency may be transferred to this appropriation for temporary field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225) to meet unusual or heavy workload increases: *Provided further*, That no part of any funds in this paragraph may be used to administer a program which makes rural housing grants pursuant to section 504 of the Housing Act of 1949, as amended.

75 Stat. 307.

63 Stat. 432.

64 Stat. 98.

82 Stat. 477,

498; 83 Stat.

379.

82 Stat. 526.

75 Stat. 309;

79 Stat. 932.

7 USC 1929.

75 Stat. 187.

42 USC 1484.

79 Stat. 499.

42 USC 1487.

Ante, p. 120.

58 Stat. 742.

63 Stat. 434.

42 USC 1474.

TITLE III—CORPORATIONS

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government

Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided:

61 Stat. 584.

31 USC 849.

FEDERAL CROP INSURANCE CORPORATION

ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expenses, \$12,000,000.

FEDERAL CROP INSURANCE CORPORATION FUND

Not to exceed \$2,335,000 of administrative and operating expenses may be paid from premium income.

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

To reimburse the Commodity Credit Corporation for net realized losses sustained in prior years but not previously reimbursed, pursuant to the Act of August 17, 1961 (15 U.S.C. 713a-11, 713a-12), in the following amounts: fiscal year 1968, \$249,998,669; fiscal year 1969, \$3,113,156,331; in total, \$3,363,155,000: *Provided*, That no funds appropriated by this Act shall be used to formulate or administer programs for the sale of agricultural commodities pursuant to title I of Public Law 480, 83d Congress, as amended to any nation which sells or furnishes or which permits ships or aircraft under its registry to transport to North Vietnam any equipment, materials or commodities, so long as North Vietnam is governed by a Communist regime.

75 Stat. 391.

North Vietnam,
assistance,
prohibition.
80 Stat. 1526.
7 USC 1701.

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed \$36,500,000 shall be available for administrative expenses of the Commodity Credit Corporation: *Provided*, That \$945,000 of this authorization shall be available only to expand and strengthen the sales program of the Corporation pursuant to authority contained in the Corporation's charter: *Provided further*, That not less than 7 per centum of this authorization shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof.

31 USC 665.

PUBLIC LAW 480

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1701-1710, 1721-1725, 1731-1736d), to remain available until expended, as follows: (1) sale of agricultural commodities for foreign currencies and for dollars on credit terms pursuant to title I of said Act, \$411,100,000; and (2) commodities

80 Stat. 1526;
82 Stat. 450.

80 Stat. 1534.
7 USC 1721.

supplied in connection with dispositions abroad, pursuant to title II of said Act, \$291,400,000.

BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

70 Stat. 200;
76 Stat. 78.

For unrecovered prior years' costs related to strategic and other materials acquired as a result of barter or exchange of agricultural commodities or products and transferred to the supplemental stockpile pursuant to the Act of May 28, 1956, as amended (7 U.S.C. 1856), \$25,000, to remain available until expended.

TITLE IV—RELATED AGENCIES

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed \$4,204,000 (from assessments collected from farm credit agencies) shall be obligated during the current fiscal year for administrative expenses, including the hire of one passenger motor vehicle.

TITLE V—GENERAL PROVISIONS

Passenger
motor
vehicles.

SEC. 501. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed six hundred and sixty-two (662) passenger motor vehicles, of which four hundred and fifty-six (456) shall be for replacement only, and for the hire of such vehicles.

Employment
of aliens.

SEC. 502. Provisions of law prohibiting or restricting the employment of aliens shall not apply to employment under the appropriation for the Foreign Agricultural Service.

Uniform
allowances.
80 Stat. 508;
81 Stat. 206.
Cotton prices,
prediction.

SEC. 503. Funds available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

Twine.

SEC. 504. No part of the funds appropriated by this Act shall be used for the payment of any officer or employee of the Department who, as such officer or employee, or on behalf of the Department or any division, commission, or bureau thereof, issues, or causes to be issued; any prediction, oral or written, or forecast, except as to damage threatened or caused by insects and pests, with respect to future prices of cotton or the trend of same.

SEC. 505. Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated by this Act shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

Contracting
funds.

SEC. 506. Not less than \$1,500,000 of the appropriations of the Department for research and service work authorized by the Acts of August 14, 1946, July 28, 1954, and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C. 1891-1893), shall be available for contracting in accordance with said Acts.

60 Stat. 1082;
68 Stat. 574;
72 Stat. 1793.

Sec. 507. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

This Act may be cited as the "Department of Agriculture and Related Agencies Appropriation Act, 1971".

Approved December 22, 1970.

LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 91-1161 (Comm. on Appropriations) and No. 91-1680 (Comm. of Conference).

SENATE REPORT No. 91-987 (Comm. on Appropriations).

CONGRESSIONAL RECORD, Vol. 116 (1970):

June 9, considered and passed House.

July 7, 8, 9, considered and passed Senate, amended.

Dec. 8, House and Senate agreed to conference report.

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